

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

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D 8523 B

Iran: revolution
that knows no
borders, Page 16

World news

Business summary

Brock is nominated as Labour Secretary

President Ronald Reagan nominated U.S. Trade Representative Bill Brock to succeed the long-embattled Raymond Donovan as Secretary of Labour. The White House gave no indication about Mr Brock's successor.

Mr Donovan resigned last week after a New York judge ruled that he would have to stand trial on charges of fraud and grand larceny. Plagued by charges of involvement with organised crime, Donovan has been a largely ineffective Secretary of Labour.

Brock, energetic, blunt and no right-wing hardliner, is likely to get along as well with labour leaders as anyone in the Reagan Administration.

Neves operation

President Tancredio Neves, Brazil's new civilian President, went to a second emergency operation for the intestinal complaint which prevented him from taking the oath of office last week.

MX setback

President Ronald Reagan's campaign to build 21 more MX nuclear missiles suffered a setback when the House of Representatives appropriations committee voted narrowly against a \$1.5bn funding resolution. The setback followed a Senate vote approving production of the weapons which the Soviet Union attacked fiercely. Earlier story, Page 2

Iran cities attacked

Iraq kept up its air attacks on Iranian cities after its success in beating back an offensive north of Basra. Its air force struck at three towns and also attacked an Iranian supply vessel near the Kharg Island oil terminal. Page 4

Kohl leadership

Chancellor Helmut Kohl was overwhelmingly re-elected chairman of West Germany's Christian Democratic Union, the largest party in the three party coalition government.

Sidon fighting

Heavy fighting resumed between the Lebanese army and Christian militiamen on the outskirts of the southern port of Sidon after efforts to end three days of clashes failed.

Riots probe

Indian Prime Minister Rajiv Gandhi ordered a senior minister to the riot-hit city of Ahmedabad to investigate caste violence which has led to eight deaths.

Steel plea rejected

West German Economics Minister Martin Bangemann firmly rejected a trade union call for a state holding company to take charge of West Germany's mainly private steel industry.

Opec audit

Opec's new auditors will produce their first results in about a month, Kuwait's Oil Minister said. The auditors had visited all Opec countries except Nigeria, which had submitted production figures. Page 2

Border restricted

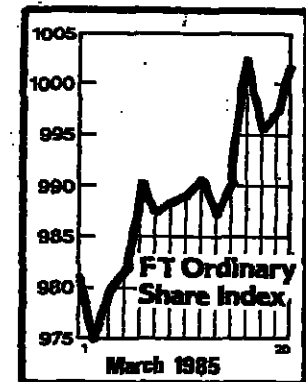
South Africa declared its border with Mozambique a restricted area to stop aid reaching right-wing rebels. The move came after Mozambique accused Pretoria of failing to take action against rebels under the terms of a peace pact signed a year ago.

Racing for Chinese

China has started building its first horse racing course, but the track is only for recreation and not gambling.

BRITOL, the UK oil company, is to buy a group of U.S. gas and oil producing territories from Freeport McMoran, an oil and minerals company, for \$75.5m. The purchase is the final stage in Britoil's \$160m manoeuvre designed to give it a solid production base in the U.S. and a spread of exploration acreage.

WALL STREET: at the close the Dow Jones industrial average was down 5.85 at 1,285.24. Section III



LONDON: gilts were in demand and shares firmed in late trading. The FT Ordinary index ended 4.4 higher at 1,001.9. Section III

TOKYO: stocks were substantially higher, with the Nikkei-Dow market average hitting a high of 12,541.37, up 63.38. Section III

DOLLAR was generally weaker in volatile London trading, falling to DM 3.555 (DM 3.274), FF 1.93 (FF 1.903) and SwFr 2.735 (SwFr 2.765) but rising to Y258.1 (Y255.95). On Bank of England figures, the dollar's index fell to 151.3 from 151.7. Page 49

STERLING closed in London 1.5 cents higher than the previous close at \$1.1515. It also rose to DM 3.1475 (DM 3.73), FF 1.15 (FF 1.138), SwFr 3.1875 (SwFr 3.1575) and Y294.5 (Y291.5). The pound's exchange rate index closed up at 74.0. Page 49

GOLD rose \$4.50 on the London bullion market to close at \$322.50. It was also higher in Zurich at \$323.00. In New York the Comex April settlement was \$324.30. Page 48

RANKAMERICA, U.S. bank holding company, had its debt rating lowered by Standard & Poor's because of falling earnings. Page 19

MEXICO, for the first time for 10 years, announced a fall in its proven oil resources. Page 19

VICTOR POSNER, Miami financier, has agreed to sell his 36 per cent stake in National Can to Tri-angel Industries, which has launched a \$418m bid for the U.S. can maker. Page 19

AUSTRALIAN mineral and energy resources production rose 20 per cent last year to A\$12.2bn (U.S. \$8.5bn); gold and other resource shares led the Australian stock market to new highs yesterday. Page 4; Section III

BICC, British cable making and engineering group, lifted its pre-tax profits by more than 10 per cent to \$30.3m (\$104m), ending a two-year decline in profits. Page 24; Lex, Page 18

CATHAY GROUP, Taiwan group of companies, loan obligations of which might reach \$500m, faces allegations of wrongdoing from a government investigation into its affairs. Page 23

SIEMENS, West German electronics group, is to build a DM 80m (\$44.4m) plant in West Berlin to make electronic control systems. Page 20

FERMENTA, Swedish fine-chemicals producer, increased sales to SKr 452m (\$48.3m) last year from SKr 137m, with profits after financial items of SKr 60.2m against SKr 5.1m. Page 20

UK interest rates cut by 1/2 point as sterling climbs

BY PHILIP STEPHENS IN LONDON

BRITAIN'S big banks lowered their base lending rates by a 1/2 percentage point to 13 1/2 per cent yesterday. The banks' move - led by Barclays and endorsed by the Bank of England - came amid favourable reaction on financial markets to Tuesday's UK budget and a strong performance for sterling on foreign exchange markets, despite some recovery in the dollar's value.

The U.S. currency fluctuated wildly early yesterday before ending the day slightly higher, as worries about the U.S. banking system triggered by the temporary closure of savings banks in Ohio subsided.

The size of the UK base rate cut disappointed City of London expectations that the stringent financial controls on public borrowing and the money supply announced in the budget would allow an immediate 1 point cut in base rates. The cut was not expected to be enough to prevent building societies - savings institutions which lend money for house purchase - from announcing a rise in mortgage rates later today.

The Bank of England indicated its money market operations that, while it welcomed a small cut in base rates, it was not prepared to encourage a rapid fall in borrowing costs.

The Bank took the rare step, last used in August 1982, of summoning discount houses with cash shortages to the Bank itself to insist they borrow at rates in line with the 1/2 point cut.

It was also being made clear in Whitehall last night that the Government's approach to interest rates remained extremely cautious. The message was that the Treasury might not resist small cuts in rates if there was strong market pressure, but any significant cut in borrowing costs depended on the money supply being more firmly under control and on a sustained period of stability for the pound.

Base rates went up by a total of 4 1/2 points in January in response to a major run on sterling, reflecting not only the strength of the dollar and concern about oil prices but also market worries about the UK Government's apparent lack of control.

Since then, the Treasury has given the exchange rate a much more central role in determining interest rates, a point emphasised by Mr Nigel Lawson, the Chancellor of the Exchequer in his budget speech.

On that basis the building societies are expected to announce an increase in their lending charges of about 1 percentage point today, despite some pressure from the second largest society, the Abbey National to defer a decision.

That the Fed, the lender of last resort to the U.S. banking system, was prepared to lend money to the troubled savings banks until they were deemed strong enough to stand on their own.

He also condemned the "unnecessary questions" which had been raised about other aspects of the U.S. financial system following the crisis, and again stressed that it was an isolated situation which was not spilling over into the rest of the financial sector.

Ohio state officials yesterday refused to say how many savings banks would reopen. The legislation leaves open several options for saving banks which cannot qualify for federal insurance. The governor indicated yesterday some of these options would depend on arrangements yet to be reached with federal agencies.

Ohio's superintendent of savings and loan associations has considerable latitude under the legislation to allow the banks to seek federal deposit insurance cover provided they can prove they are adequately backed. Federal officials have said perhaps 30 of the institutions will be eligible for insurance.

Meanwhile, the U.S. Securities and Exchange Commission (SEC) has taken further action against Alexander Grant, the Chicago auditor which audited the books of ESM Government Securities, the small Florida bond trader which collapsed earlier this month.

Union Carbide's seven-man investigation team, said the most likely explanation for how the water got into the tank was that tubing intended to be connected to a nitrogen supply line had instead been connected to a water supply line.

"If someone had connected a tubing to the water line instead of the nitrogen line either deliberately or intending to introduce nitrogen into the tank, this could account for the presence of water in the tank," Mr Van Mynen said.

Mr Anderson was questioned repeatedly about whether the company's U.S. managers knew of the safety problems at Bhopal.

He said he personally had "no idea" that the plant had been run "apparently without regard to safety features."

On the question of compensation for victims of the Bhopal tragedy, Mr Anderson repeated that the company would prefer to reach a "prompt and equitable settlement" to claims rather than proceed with the numerous court cases that had been filed against the company.

Mr Ron Van Mynen, head of

Continued on Page 18

UK budget reaction, Pages 10-11; Economic Viewpoint, Page 17; Lawson forecasts, Page 18; Gold price, Page 48; Money markets, Page 49

Ohio law clears way for savings banks to reopen

BY WILLIAM HALL IN NEW YORK

OHIO governor Mr Richard Celeste signed legislation yesterday paving the way for the reopening of the 71 privately-insured savings banks which have been closed since the run on their deposits last week. The banks remained closed yesterday while officials worked out final details.

The governor passed the legislation requiring all the closed savings banks to seek federal deposit insurance, after emergency meetings in Washington on Tuesday with Mr Paul Volcker, chairman of the Federal Reserve, and Mr Edwin Gray, chairman of the Federal Home Loan Bank Board, which controls the Federal Savings and Loan Insurance Corporation (FSLIC).

Mr Volcker reaffirmed yesterday

that the Fed, the lender of last resort to the U.S. banking system, was prepared to lend money to the troubled savings banks until they were deemed strong enough to stand on their own.

He also condemned the "unnecessary questions" which had been raised about other aspects of the U.S. financial system following the crisis, and again stressed that it was an isolated situation which was not spilling over into the rest of the financial sector.

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ICI pioneers short-term £ corporate notes

BY PETER MONTAGNON IN LONDON

IMPERIAL Chemical Industries yesterday became the first British company to take advantage of Tuesday's budget measures lifting the restrictions on short-term securities issues by corporations.

It launched a \$400m 10-year international loan facility led by Citicorp which includes an option to raise money through the sale of one to five-year notes denominated in sterling. Borrowers have been deterred until now from making such issues by the strict wording of Britain's Banking Act.

Though the option is still subject to the passage of the budget legislation, bankers believe that the rule change and ICI's quick response could mark the beginning of a fully-fledged short-term market in sterling corporate paper.

"We interpret this as a first step towards a full sterling Eurobond market," said Mr Alan Gillespie, a Citicorp executive director.

The sterling component is just one part of a very complex facility that will give ICI access to a range of short-term borrowings. This is in the style of a range of facilities now being developed in the Eurobond market to help multinational corporations with their cash management.

Under the facility ICI will be able to raise money in three ways. It can:

- Sell short-term Eurobond paper of up to one year denominated in dollars or in sterling for maturities of one to five years. This paper can be at fixed or floating rates. The notes will be sold through a tender panel of banks which will bid for them and then place them with investors;
- Sell bankers' acceptances (short-term paper backed by banks) denominated in sterling, dollars or D-Marks. The acceptances will also be sold through a tender panel system.
- Borrow under a revolving bank credit for which it will pay a commitment fee of four basis points (hundredths of a percentage point) during the first four years rising in stages to 10 points in the last year. The credit will bear interest at Libor, the London interbank offered rate for Eurodollar deposits, but banks will charge an annual utilisation fee of up to 1/2 per cent depending how much is drawn.

Mr Trevor Harrison, ICI deputy treasurer, explained yesterday that the company will use the facility to manage its short-term cash needs rather than to finance any new capital expenditure. "When we have a requirement for short-term funds we will choose the cheapest route," he said.

The facility offers additional flexibility in that borrowings in dollars can be swapped into sterling which can be swapped into dollars which can be swapped into sterling which can be swapped into dollars.

Continued on Page 18

UK in cold over European union, Page 3; Car exhaust hope, Page 18

Perle attacks Howe over star wars speech

By Robert Mauthner, Diplomatic Correspondent, in London

THE WAR of words between Britain and the U.S. over the so-called star wars defence technology has heated up with a blistering attack by Mr Richard Perle, the U.S. Assistant Secretary of Defence, on Sir Geoffrey Howe, the British Foreign Secretary.

Mr Perle's critical remarks, made on Tuesday night at a London conference on Communism and Liberal Democracy entitled "Beyond 1984" were followed yesterday by a hastily-arranged meeting between Sir Geoffrey and Mr Charles Price, the U.S. Ambassador to Britain.

Both sides emphasised that the meeting, which was arranged at the request of the U.S. Ambassador, took place in a cordial atmosphere. Officials confirmed, however, that the Foreign Secretary's speech last Friday on President Ronald Reagan's Strategic Defence Initiative and what are considered in London to be Mr Perle's somewhat intemperate comments on it were discussed.

Mr Perle said Sir Geoffrey's speech proved an old geometric axiom: "that length is no substitute for depth." The Foreign Secretary had warned that research on space-based defensive weapons must go hand in hand with a thorough study of its strategic implications if it was not to acquire an unstoppable momentum.

Mr Perle said: "In a mere 27 pages he succeeded in rewriting the recent history of the Soviet-American strategic relationship, rendering it unrecognisable to anyone who has charted its course."

Mr Perle, who is not a negotiator in the Geneva arms control negotiations between the U.S. and the Soviet Union but who is one of the most senior members of the Washington Administration involved in working out the U.S.'s negotiating stance, accused Sir Geoffrey of ignoring the Soviet arms build-up.

The Foreign Secretary had been "both tendentious and obliquely declaratory" in describing the strategic defence programme of the U.S.

He found no persuasive evidence of Sir Geoffrey's view that the Soviet Union had accepted that the Anti-Ballistic Missile (ABM) treaty of 1972 had enhanced the strategy of nuclear deterrence through the clear recognition of "mutual vulnerability."

Kohl seeks European stance on SDI; Moscow anger at MX vote, Page 2; Support for star wars attacked, Page 11

EEC talks 'near broad agreement'

BY QUENTIN PEEL IN BRUSSELS

NEGOTIATIONS between Spain, Portugal and the EEC on membership of the Community were locked into questions of fine detail last night. Ministers and officials expressed confidence that the broad outline of agreement had been reached on the outstanding issues.

Talks were set to continue late into the night, for the fourth night in succession, as the foreign ministers sought to conclude their marathon negotiations in time for the EEC summit meeting next week. The EEC ministers were expected to extend their own talks for a further 24 hours with the problems of the Community budget and a package of programmes for the Mediterranean area still to be discussed.

Officials from the Italian presidency, the European Commission and the applicant states were talking last night on the exact figures to reach agreement on accession terms for fishing and agriculture, the most difficult issues. They also had to deal with the questions of social affairs and the financial relations with the two new members during their transitional period.

Mr Malcolm Rifkind, the Minister of State at the British Foreign Office, said last night that he was hopeful of reaching a successful conclusion.

The signs are reasonably encouraging," he said. "To a very substantial extent the discussions are now concentrated on points of detail. The broad framework of the final situation is now emerging." He

Continued on Page 18

UK in cold over European union, Page 3; Car exhaust hope, Page 18

Sabotage hint in Bhopal report after Union Carbide's inquiry

BY PAUL TAYLOR IN DANBURY, CONNECTICUT

THE TOXIC gas tragedy in Bhopal, India, that killed more than 2,000 people in December was caused by "the inadvertent or deliberate" introduction of water into one of the plant's three methyl isocyanate (MIC) storage tanks, causing an enormous heat build-up and a runaway chemical reaction, Union Carbide, the U.S. chemicals group, said yesterday.

In addition, while Union Carbide insisted that it was not the intention of the report to allot blame for the disaster, Mr Anderson made clear that the company held the local management of its Indian subsidiary responsible for the alleged safety deficiencies.

"Non-compliance with safety procedures is a local issue," Mr Anderson said. "They operated that plant when it was not in conformity with safety procedures."

Specifically, the company said:

- A refrigeration unit that should have cooled liquid in the tanks had been out of operation for five months;
- A safety flare that should have

burnt up escaping gas was out of service at the time of the disaster for maintenance;

- The MIC stored in the tanks was polluted with an abnormally high amount of chloroform. Union Carbide said that between 24 and 38 times the permissible amount of chloroform was found in lines connected to the tank;
- Chemical temperature and pressure gauges were not regularly checked and reset and safety procedures that should have been taken during cleaning operations had not been followed;
- Plant operators failed to spot early warnings of the chemical reaction inside the MIC tank until too late.

The allegations were contained in Union Carbide's long-awaited internal report into the causes of the accident, released yesterday. The U.S. company concludes that the most likely immediate cause of the disaster was the presence of between 120 and 240 gallons of water in MIC tank No 610.

Mr Ron Van Mynen, head of

Union Carbide's seven-man investigation team, said the most likely explanation for how the water got into the tank was that tubing intended to be connected to a nitrogen supply line had instead been connected to a water supply line.

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CONTENTS

Europe	2, 3	Eurobonds	49
Companies	20	Euro-options	48
America	4	Financial Futures	48
Companies	19, 23	Gold	48
Overseas	4	Int'l Capital Markets	50
Companies	20, 22	Letters	17
World Trade	6	Lex	12
Britain	8-11	Management	17
Companies	19, 24-26	Market Monitors	39
Agriculture	48	Men and Matters	16
Appointments	23	Mining	25
Appointments advertising	27-38	Money Markets	49
Arts - Reviews	14	Raw materials	48
World Guide	14	Resources Review	8
Commodities	46	Stockmarkets - Bourses	32, 42
Crossword	49	Wall St.	39, 42, 50
Currencies	49	London	39, 43-45
Editorial comment	16	Technology	13
		Unit Trusts	46, 47
		Weather	18

Soviet Union: fierce reaction to MX missile vote 2

U.S.: growing gap between rich and poorly paid 4

Caricom: Trinidad's import controls anger partners ... 6

Resources Review: Colombia cool on oil windfall 8

Editorial comment: Third World; London SE 16

Iran: a revolution that knows no borders 16

UK budget: more interesting than it looks 17

Lex: stock exchange; Gent; BICC; ICI; markets 18

IBM: leaving the PC market guessing 19

Panama: polishing its banking image 22

EUROPEAN NEWS

Kohl voices space weapon doubts

BY RUPERT CORNWELL IN ESSEN

WEST GERMANY will step up its efforts to secure a common European stance on the superpower arms control talks, which have just begun, in order to exert maximum leverage on the U.S. negotiating line, above all over Washington's space-based Strategic Defence Initiative (SDI) programme.

This was emphasised yesterday by Chancellor Helmut Kohl at the annual congress of his ruling Christian Democratic Party (CDU) here, in a keynote speech which betrayed the growing misgivings of both himself and his Government over the controversial American space weapons strategy.

Nothing, Herr Kohl argued, would do more to make a space-based defensive system superior than real agreement in Geneva on cuts in the stockpiles of offensive nuclear weapons held by both East and West. For that reason, Bonn was keeping its attitude about the future development of SDI open.

His remarks, in a wide-ranging policy review almost exactly

halfway through his current four-year term of office, build on similar doubts expressed earlier this week by Herr Hans-Dietrich Genscher, the Foreign Minister.

They suggest how his own initial support for SDI has cooled, amid the fear that American insistence on the project could dash the chance of a deal with Moscow on reductions in strategic and especially medium-range nuclear weapons now based in West Germany and other West European countries, and which constitute Bonn's overriding interest in the superpower talks.

Moreover, in marked contrast to his apparent endorsement six weeks ago of the U.S. plans, the Chancellor made no mention yesterday of any technological benefits which could flow to West Germany, if it took part in the SDI research programme. Nor, it is understood, has any formal offer to that end come so far from Washington.

In West German eyes, the

Geneva talks have four basic purposes. These are: to preserve the strategic balance and avoid a new arms race, whether in space or on earth; to secure "drastic" cuts in medium- and long-range nuclear weapons; if possible to achieve "co-operative solutions" over missile defence and anti-satellite systems; and to reconfirm the existing ABM treaty.

In the meantime, Herr Kohl insisted that, as long as no more effective alternative deterrent was in place, NATO's present doctrine of flexible response must remain in force. None the less, he saw a genuine chance of progress towards arms control in 1985.

This year could also be, he suggested, a "year of destiny" for the European Community, in which the future development of the EEC could be mapped out. But, although he spelled out Bonn's determination to advance towards "European unity," the Chancellor again failed to give any

concrete clue to what he meant.

He dismissed fears over a possible drift by West Germany towards neutralism, tempted by the prospects of a reunited German nation. This would only be possible in a fully united European continent. In the meantime, the deployment of cruise and Pershing missiles had proved that Bonn was a reliable and trustworthy member of the Western Alliance.

Defending his Government from criticism of the unilateral help given to German farmers in defiance of EEC rules, Herr Kohl claimed that not to have done so would have threatened the very existence of small family farms throughout the country.

It would also have cost the ruling coalition dear in electoral support. The choice of Essen for this week's congress was dictated by the important poll in North Rhine Westphalia in May, when the CDU faces an uphill battle to regain power in West Germany's most populous state.

Romania to buy Soviet oil on better terms

By David Buchan

ROMANIA is to start getting some Soviet oil next year on the standard price and better terms available to Moscow's other Comecon partners under bilateral trade agreements for 1986-90 signed in Moscow this week, according to officials in Bucharest.

As a result of Romania's long-standing refusal to participate fully in Comecon integration programmes, the Soviet Union has hitherto charged it the world price for oil and demanded payment in hard currency or in "hard currency goods" such as food or the small percentage of Romanian industrial items which are of top quality. This is how Romania is to pay for all of the 1.5m tonnes of Soviet oil it plans to buy this year.

Quite why Moscow should now have relented and decided to let Romania have some, if not all, of its Soviet oil purchases at the slightly lower intra-Comecon price and in exchange for "ordinary" goods is unclear.

It is either a tribute to Romanian persistence, which has been pressing for better terms ever since stagnating domestic oil output and surging industrial needs in the late 1970s forced it into importing large quantities of crude, or perhaps to a quid pro quo in foreign policy.

The dispatch to Moscow this week of Mr Constantin Rasculescu, hte Prime Minister, and Mr Stefan Andrei, the Foreign Minister, in addition to Romania's chief planner, makes it likely that renewal of the Warsaw Pact expiring this May was also discussed with Soviet leaders.

Belgrade announces interest rates rise

THE Yugoslav authorities have announced details of their key policy commitment on interest rates made to the International Monetary Fund in return for a new 1985-86 standby credit. Aleksandar Lebl reports from Belgrade. This will raise commercial bank interest rates on deposits ranging from three months to two years by 4 percentage points to 55-65 per cent on April 1.

French to use V-2 technology to make nuclear submarines safer

BY DAVID MARSH IN PARIS

TECHNOLOGY derived from war-time research on Hitler's V-2 rockets could be used to help power French nuclear submarines to heighten their invulnerability to detection.

Société de Mécanique Magnétique (SMM), a small French company which is part of the state controlled Société Européenne de Propulsion (SEP) rocket motor group, is working on installing vibration-free motors in French naval vessels using unique magnetic bearings.

The magnetic bearings system which SMM is commercialising for a range of scientific and industrial applications worldwide, dispense with ball bearings and lubrication. In place of the bearings, a magnetic field is used to support the shafts of the machinery.

The technology owes its genesis to work carried out on reducing friction in the gyroscopes developed to guide the V-2s launched on London towards the close of the war. German technicians from Werner von Braun's team at the

Peenemünde rocket base carried on research in France in the post-war years, and SMM now claims a five-year lead in the field over rival companies such as Toshiba and Hitachi of Japan.

Under a contract with the French Navy signed last year, SMM has started a programme spread over several years to investigate fitting bearings on a range of boats.

A crucial area is in France's fleet on nuclear powered ballistic missile-launching and attack submarines. Because of its relatively late start in developing nuclear submarines during the 1960s, France believes it has a technical lag in the key field of dampening submarine noise to guard against increasingly sophisticated Soviet surveillance and tracking.

French officials last year launched tentative attempts to negotiate access to British secrets concerning reduced vibrations on submarine propulsion, which were acquired partly through accords with the

U.S. Significantly, the Royal Navy is believed to be interested too in the magnetic bearings technology. The Soviet Union tried unsuccessfully a few years ago to acquire licences for the system.

The accord with the French Navy, which SMM officials describe as a "big" contract, amounts to the company's first major involvement in direct military work. It did explore some years ago fitting the magnetic bearings into the launch guidance systems of France's ballistic missiles — for which SEP makes the engines — but the idea was not followed through. SMM is also working with Electricité de France, the state utility, on fitting the bearings into heavy turbine machinery in French nuclear power stations. EDF has already ordered a 10-tonne load bearing and the company hopes to develop equipment of 100 tonnes to fit to standard generating machinery in five or six years' time.

Moscow anger at MX missile vote

BY PATRICK COCKBURN IN MOSCOW

THE SOVIET UNION has fiercely attacked the U.S. Senate vote in favour of the production of 21 MX missiles, as hopes diminish in Moscow that any progress is possible in the Geneva disarmament talks.

President Reagan's speech in favour of MX was immediately denounced by the Soviet news agency Tass as "filled with demagoguery and militaristic ambitions." Tass said the Administration's persistent efforts to push through Congress the allocations for the MX missiles showed that Washington was "hypocritical" in its claim to seek a reduction in nuclear arms.

Soviet officials and commentators have recently abandoned speculation, which had surfaced in the second half of last year, that President Reagan's policies on nuclear arms might be different in his second term.

In the middle of last month Mr Georgy Arbatov, director of the Institute for U.S. and Canadian Studies, and an

influential adviser on foreign affairs, said the crucial question was: "Does the present U.S. Administration take talks seriously, or does it just need to claim achievements in foreign policy?" Moscow now appears to have concluded that U.S. policy has not changed even if its vocabulary is more moderate.

Ever since the new disarmament talks were agreed in January by Mr Andrei Gromyko, the Soviet Foreign Minister, and Mr George Shultz, his American counterpart, the Soviet line has been that there can be no progress in the limitation of strategic and intermediate nuclear weapons unless space weapons are restricted.

Officials here now believe that President Reagan's determination to press ahead with the Strategic Defence Initiative known as "Star Wars" is non-negotiable, and therefore that there is little common ground between the U.S. and Soviet positions.

Soviet leaders have stressed to the Soviet public, as well as to foreign leaders, the threat posed by Star Wars to the existing balance of power. The commander in chief of the Soviet Strategic Rocket Forces, Marshal Vladimir Tolubko, recently gave a detailed account of the potential of Star Wars.



Mr Andrei Gromyko

forces. Red Star, warned yesterday that Washington suggests "the simple truth is that those against whom such missiles are deployed will not sit idly by, but do their utmost to prevent military strategic superiority over them."

Yet, there is a note of uncertainty in the Soviet reaction to the extent of the threat Star Wars poses. Marshal Tolubko said that there is no particular reason why the hundred U.S. satellites orbiting the Soviet Union, from which anti-ballistic missiles would be launched, should not also be the launching pad for effective nuclear missiles.

Mrs Margaret Thatcher, the British Prime Minister, told Mr Mikhail Gorbachev, the new Soviet leader, in Moscow last week that Britain regarded research into Star Wars as allowed under the 1972 treaty on ABM systems but deployment required renegotiation of the treaty.

The Kremlin is clearly aware that Star Wars, disliked by most U.S. allies, provides a diplomatic opportunity as well as a military threat. But it seems dubious about the capacity of the West Europeans to influence Washington.

BNOC abolition welcomed by Nigerian Oil Minister

BY DOMINIC LAWSON IN GENEVA

THE ABOLITION of the British National Oil Corporation will have a salutary and favourable effect on the oil market at least in the short term, Prof Tam David-West, the Nigerian Oil Minister, said yesterday in Geneva.

"The constant and perennial problem of speculation that ENOC will reduce its price is taken off. Opec will not have to worry about what ENOC's next price move will be in the future," said Prof David-West.

In the past, Nigeria had tended to follow ENOC's price movements even at the expense of Opec's unity on prices and there had been fears that the decision last week by the UK Government to abolish ENOC would precipitate some violent Nigerian reaction. With the abolition of ENOC, Britain is signalling that it will move away from a fixed oil price to an unfettered spot-related price system which has always been anathema to Opec.

But the Nigerian Oil Minister said yesterday: "UK pricing will be market-related. So

what? It has always been. Right now there is no British price." By this the Nigerian meant that BNOC's \$28.65 price from the Brent market crude was only the price at which ENOC bought the oil. Sooner or later it is sold by ENOC at that price.

There is concern within Opec, however, that Nigeria which sells crude of similar quality and to the same markets as the UK will have to follow Britain into a spot related price system, thus breaching Opec's fixed price structure.

The Nigerian Oil Minister said that there were still many uncertainties about the future of UK oil prices such as whether there would be a fixed tax reference price that would amount to an official price. However, it is most likely that any future UK oil tax reference price would amount to an official price. However, it is most likely that any future UK oil tax reference price would be retrospective and market-related, thus giving Nigeria no clear guidance. "We will have to watch prices unfold," he said.

Airlines press for improved deal in Europe

By Michael Donnan, Aerospace Correspondent

A NEW consortium of European regional airlines is now being set up to press for improved operating rights throughout the European Community.

Called ACE, the Airline Consortium for Europe, the group met privately in Paris this week to formulate its plans. The timing of the meeting and the establishment of the group coincides with an anticipated European Court of Justice judgment condemning restrictive trade practices in European civil aviation.

Members of the group include Air Europe, Britannia Airways, Dan-Air, Monarch and Orly of the UK; Conair, Maersk Air and Sterling of Denmark; Euralair and Minerva of France; Transavia of Holland; and Hopsig-Lloyd, LTU and Lufttransport Süd of West Germany.

Collectively, the 14 airlines carried 21.2m passengers in 1984, or 7.3 per cent more than in 1983, and they collectively own a fleet of over 200 turbine-powered aircraft.

Flying to Saudi Arabia: some sobering thoughts.

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EUROPEAN NEWS

France's coal chief asks Government for greater authority

BY DAVID HOUSEGO IN PARIS

THE PACE of rationalisation in the French coal industry has been thrown into doubt by a serious dispute over the run-down of Charbonnages de France, the state-owned coal company.

M. Michel Hug, the chief executive, has asked the Government to strengthen his powers in a way that would reinforce his authority over the powerful regional boards which have virtual autonomy under the traditional structure of Charbonnages. He is also seeking approval for a management streamlining to provide more centralised decision making and stricter financial discipline.

Failure by M Hug to gain substantial concessions in the dispute — which is being closely watched by unions and management — would be taken in the coal industry as a partial disposal of his policies. Some believe it could lead to his resignation.

Already there are signs that the quarrel has been slowing down the pace of pit closures and new investment in higher yielding mines. At the same time it has effectively put on ice M Hug's proposals for transforming Charbonnages from a domestic but shrinking producer of coal into an international coal trading and exploration company.

Under plans announced by

M Hug last March coal output is being cut from 18.3m tonnes in 1983 to 10-13m tonnes over the next five years. The workforce is being halved from 57,000.

The group has recently reported that it broke even last year after losses of FFr 690m (£81m) in 1982 and FFr 210m (£25m) in 1983. The figures take into account an annual subsidy of FFr 8.8bn.

The dispute over the top management of the company has come to a head with the retirement of the company's chairman M Philippe Huet. M Hug wants to combine both the chairman and the chief executive's role as a way of enhancing his authority in a situation where his existing powers are minimal.

Mr Hug already received one rebuff in July. After his proposals for streamlining the group aroused an outcry from the regions, the Government appointed the four regional presidents to the Charbonnages board — thus further weakening his authority.

He none the less decided to bide his time because his objectives had the approval of senior ministers. At the same time he felt he would be in a stronger position once the company's financial results showed he had succeeded in his initial goal of eliminating losses.

UK in the cold on European union

BY QUENTIN PEEL IN STRASSBOURG

THE REPORT of the EEC committee of wise men on European union, commissioned by President Francois Mitterrand and his fellow heads of government at last year's Fontainebleau summit, scatters the seeds of doubt.



Senator Dooge... midway position

Like an academic treatise, half the argument is put in the footnotes by authors, who describe themselves as the "Ad Hoc Committee for Institutional Affairs."

The report of the Dooge Committee covers most of the key issues which have to be faced by the member-states of the European Community in the coming years, however. These range from the elusive goal of a genuine common market in goods and services, through progress towards monetary union, to ever-increasing political and even defence and security co-operation.

In essence, the report concludes that European union is a desirable goal, but one best left ill-defined; virtually all the committee's archaic favour of practical moves to remove internal barriers to trade (with Greece showing some residual doubts); a substantial majority favours increased political and defence co-operation (Ireland and Denmark are decidedly cool on the latter); and the wise men are divided on key issues of institutional reform needed to move forward, like giving more legislative powers to the European Parliament and removing the effective power of veto from individual member states. On those questions, Britain joins the anti-reform minority.

The anti-uncertainty is just what authority the report will

of long-range development. On the face of it, the report has failed to do this but in practice the divisions may be more apparent than real.

The two questions on which Britain was left most obviously in the cold were the removal of the effective power of veto, whereby a member state can block a decision by citing a "vital national interest," and the granting of more legislative and budgetary authority to the European Parliament.

On the former, the six founder member representatives voted for a text which removes any mention of "vital national interest." Britain, Denmark and Greece proposed a minority version which specifically includes it.

Sen Dooge himself adopted the midway position of wanting the phrase inserted in the majority report.

Yet all agreed that more decisions should be taken by majority voting, to speed up the notoriously slow decision-making process in the Council of Ministers. All agreed that in some circumstances, unanimity should be required. The problem was how to restrict the number of such circumstances.

The effort to get a unanimous recommendation involved trying to define the so-called Luxembourg compromise — the informal decision which enshrines the "vital national interest" procedure — so that it would be more difficult to use in the future.

The interim Dooge report, submitted to the Dublin summit last December, suggested compelling member states to "objectively justify" their move.

But it also suggested a gradual phasing out of the system, which Mr Riffkind could not accept.

In the event, the final majority report is less acceptable to the British Government on that score than the earlier version, because now it excludes any mention of the procedure.

On the question of the powers of Parliament, Mr Riffkind was also a dissenter. He wants more consultation, but could not accept the idea of "co-decision making" with the Council of Ministers.

The result is a recommendation that a new decision-making process be instituted: the European Commission will put up a proposal; the Parliament will amend it; and the amended version will then be put to the Council for decision. If the Council wishes to amend the Parliament's plan, it will be compelled to set up a formal procedure of "conciliation." Mr Riffkind tabled a footnote of dissent.

The heads of government are now being asked to submit an inter-governmental conference to redraft the Treaty of Rome, with an eye on ultimate European union. Britain, Greece and Denmark would not go so far.

What is likely to happen is that next week's summit will simply receive the report, and government departments will have their chance to chew it over before the Milan summit next June. The British view is that pragmatism will prevail, at least on the question of the Luxembourg compromise, which all member states secretly support, whether they like to admit it or not.

Interpol meets bankers over credit card crime

BY DAVID MARSH IN PARIS

LEADING figures from Interpol, the Paris-based international police organisation, met bankers and national police officers here yesterday to try to step up the fight against credit card fraud, which has reached epidemic proportions in many countries.

The meeting in a Paris hotel was made public by Mr John Simpson, the new U.S. president of the 36-nation organisation, as part of a bid to win general support for tighter legislation in individual countries to combat fraud.

Mr Simpson took over six months ago. He is presiding over a considerable upgrading of Interpol's technological resources to beat crime.

Mr Simpson said yesterday the meeting discussed bringing national anti-fraud laws into line with the increased technological competence of credit card crooks.

In the U.S. in particular, the growth of popular interest in computer has given rise to a new generation of white collar bank thieves able to "read" the hidden magnetic code of stolen cards or fabricate false ones. The U.S. has recently tightened legislation against card fraud.

Paris worried by trade deficit

BY PAUL BETTS IN PARIS

A DETERIORATION in France's visible trade deficit during the first two months of this year is beginning to worry the Socialist Government which has set itself the target of balancing the country's trade accounts in 1985.

For the second consecutive month this year, France registered a higher-than-expected trade deficit last month of FFr 6.5bn (£650m) on a seasonally adjusted basis. This compares with a deficit of FFr 4.4bn in February 1984 and a deficit of FFr 3.9bn last January, bringing the cumulative trade deficit so far this year to FFr 10.4bn.

The French industry and trade ministry blamed the unusually cold

weather this winter for the latest increase in the trade deficit. The cold spell led to a sharp increase in oil imports, leading to an unexpectedly high deficit of FFr 19.6bn on energy products compared with an average monthly energy deficit of about FFr 15.6bn last year and an energy deficit of FFr 14.3bn last January.

The ministry also said that exports of French industrial products had recovered last month, registering a surplus of FFr 8bn compared to a surplus of only FFr 4.5bn last January. Overall, exports rose by 10.3 per cent over the January level.

However, the latest figures risk jeopardising the Government's hopes of achieving equilibrium or a small surplus in the trade balance this year after cutting back the deficit to FFr 19.8bn last year from FFr 43bn in 1983.

For its part, the official statistics institute Insee has been forecasting a continued deficit of about FFr 2bn a month for the first six months of this year.

The deterioration in the trade figures is awkward for the Government because it appears to rule out any possibility of boosting economic growth at an early stage which in turn would stimulate imports.

Milan banker investigated

BY ALAN FRIEDMAN IN MILAN

SIG ENRICO CUCIA, the 77-year-old eminence grise of Italian finance and former chairman of Mediobanca, the powerful Milan-based merchant bank, has been notified by a Rome magistrate that he is under investigation for possible involvement in a network which embezzled L240bn (£102m) from state-owned companies.

Sig Cucia is being investigated for having had knowledge of possible involvement in the embezzling of funds from IRI, the state holding company.

Last November two other leading figures in Italy's financial establishment were arrested in the so-called "IRI black funds scandal".

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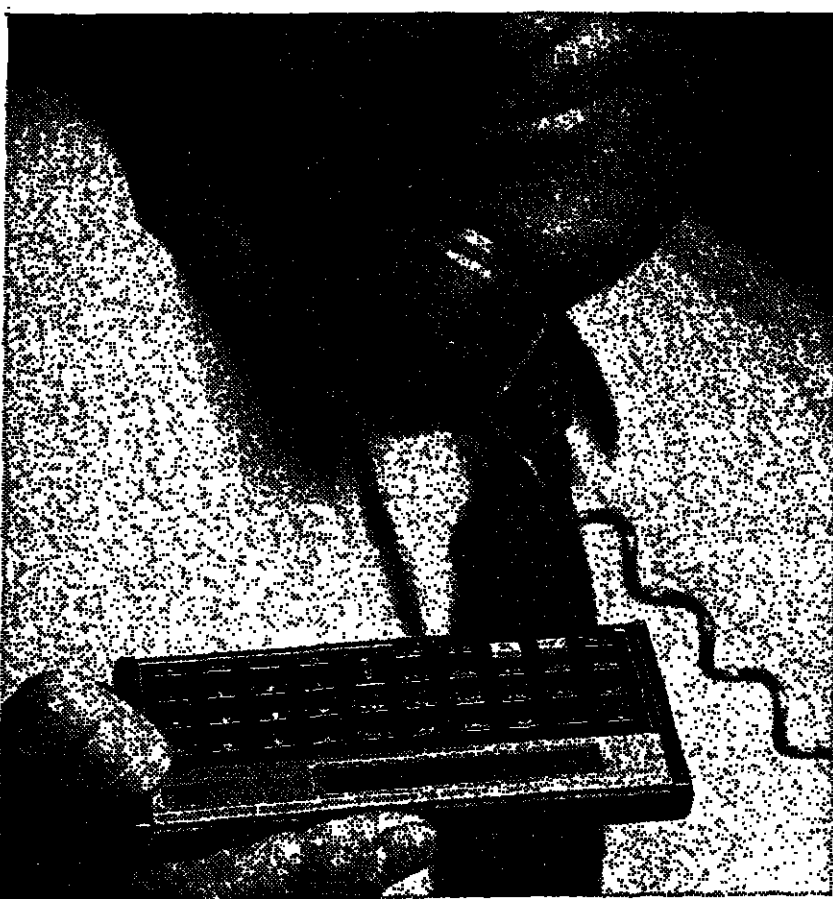
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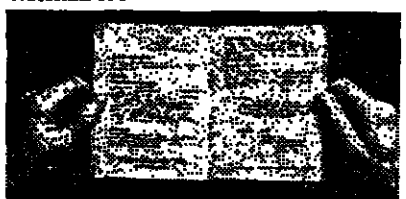
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WORLD TRADE NEWS

French win contract for Nigerian oil refinery

By Paul Beits in Paris

SPLE BATIGNOLLES, the international construction subsidiary of France's Empain-Schneider conglomerate, will share in a \$550m (£500m) contract with a group of Japanese companies to build a large oil refinery in Nigeria.

The French company confirmed yesterday it had signed an initial contract with Nigeria last month, but said it was still negotiating the financial aspects of the deal with the Lagos authorities. In view of Nigeria's economic difficulties, the negotiations are expected to be both complex and protracted.

The contract involves the construction of a 150,000-barrel-a-day oil refinery at Port Harcourt on the Gulf of Guinea for the Nigerian National Petroleum Corporation. The French company's Japanese partners in the venture are JGC Corporation and Marubeni Corporation.

Under the terms of the agreement, construction of the refinery should be completed by the summer of 1987. The Japanese interests are expected to provide equipment and services for about \$310m, while Spie Batignolles will supply about \$240m worth.

The Bank of Japan is understood to be willing to increase a loan to Nigeria to help finance the construction of the new refinery.

Canute James reports on the anger an imports stamp duty has created

Trinidad stirs a Caribbean storm

IN RECENT years Jamaica and Guyana have been the bêtes noires of the Caribbean Economic Community. In order to protect their frayed domestic economies, both instituted measures which, from time to time, restricted the access to their markets for goods produced in the other 11 Community countries.

Now it is Trinidad and Tobago, the Community's richest member despite its dwindling hard currency reserves, which is in the eye of the Caribbean trade storm.

Recriminations

It was in order to protect these reserves that Trinidad demanded all imports be licensed. Other partners in the community cried foul. The arrangements for preferential entry to each others market were not being observed by Trinidad they argued.

Now the tempo of the claims and counter claims has increased, following Trinidad's imposition of a 12 per cent stamp duty on imports.

Such has been the nature of the recriminations that the raison d'être of the 11-year-old community, with a total market of 5.5m, is being questioned.

Regional anger at Trinidad has been fuelled by the fact that the increased duties have been levied after the community heads of governments, at a July meeting, claimed a sort of breakthrough in efforts

to increase the volume of intra-regional trade. Trade among them has been falling, from \$550m in 1982, to \$400m in 1983, the same value provisionally put on last year's commerce.

The leaders had agreed on a common external tariff on imports from outside the community. The list of "sensitive goods" which the community is attempting to protect includes steel, cement, fertilisers, car parts, processed food, and a range of consumer durables.

Separate regional trade protocols on garments and agricultural products are being drafted.

More significant for a short-term improvement in trade volumes was an undertaking from the other 12 to increase the level of their purchases from Trinidad.

For its part, the Port of Spain Government said it would progressively dismantle the protectionist measures it had implemented. Now other countries are arguing that the imposition of the stamp duty on imports indicates a reneging by Trinidad on its promises.

Behind Trinidad's actions is a serious drain on its hard currency reserves because of the softening market for oil, its major export. Reserves have fallen from \$3.3bn three years ago to about \$1.25bn now.

Particularly angered by the Trinidadian move has been Barbados, whose valuable light manufacturing sector has been suffering from reduced access to the Trinidad market. Barbadian officials say that an

indication of their desire to normalise trade relations is clear in a move to implement the agreements reached at the July summit.

The summit pledge was that once the tariff rises were in place, the non-tariff barriers to the Caribbean Community would be removed.

Mr Tom Adams, Prime Minister of Barbados, said before his unexpected death a fortnight ago: "The primary reason for the heads of Government agreeing to the increases in the Common external tariff was to stimulate the expansion of manufacturing output and trade within the community... to give a higher level of protection to goods produced in the region."

The Barbadian position will be maintained by Mr Bernard St John, who was sworn in as Mr Adams' successor last week.

Stalemate

Trinidad has not been impressed. A Government report on regional trade accused Barbados of duplicity.

The report said Barbados had not shown "any apparent willingness to dismantle its system of non-tariff barriers to Community products."

Because of reduced access to Guyana and Jamaica, the report added, the smaller members of the Community were concentrating their efforts on the Trinidadian market.

The Trinidad and Tobago Manufacturers Association has asked the Government to remove restrictions on imports,

accusing other community countries of not respecting the agreement to buy more from the country.

The government has agreed and "is fully cognizant of the severe economic difficulties being experienced by community member states," said Mr Carlyle William, an advisor to the Trinidad Finance Ministry.

"We are equally concerned that the measures introduced by some member states in response to these developments... are detrimental to the well-being of Trinidad and Tobago."

Even if the stalemate is broken, the Community members face an equally intractable task in creating facilities for financing regional trade.

A \$100m multilateral trade clearing facility is now exhausted, having reached its limit, with Guyana the main delinquent in accumulated arrears.

Plans to obtain new financing for the facility will have to await some indication that community members will be willing to settle their differences.

The trade deadlock has had officials from the community secretariat hurrying around the region seeking a way out.

It would not be fair to say that the validity of the community is threatened by indications of parochial tendencies on the part of some members," said an official of the secretariat.

But if the deadlock is not broken soon, the we may be forced to start thinking of the community as a failed experiment."

U.S. output of paper and board slows

By Tony Jackson

U.S. OUTPUT of paper and board has begun to slow this year. In the first two months of 1985, the annualised rate of output was 1.5 per cent below the actual output in 1984 of 68.7m tons.

"This performance suggests that the economy is moving into a maturing phase," said the American Paper Institute.

Throughout last year, the strength of the dollar prompted a sharp increase in imports. Total paper and board imports rose by 24 per cent to a record 10.4m tons, and wood pulp imports went up by 10 per cent to 3.5m tons. This U.S. trade deficit for all paper products came to \$2.9bn (£2.6m).

U.S. paper companies continued the cyclical upswing in profits established the previous year. API figures on 52 paper companies (two-thirds of the industry) show 1984 sales up by

17 per cent, and net earnings up by a third. This year growth is expected to slow along with the economy, and the institute says packaging grades could be affected by adverse trade trends.

Canadian output of newsprint continued to rise in January. Production was up by 4 per cent against January 1984, at 789,000 tonnes.

Exports to the U.S. were up by 6 per cent, but exports to Western Europe fell further, with the figure of 2,200 tonnes down 44 per cent on January 1984, and 61 per cent on 1983.

Exports to Asia, however, more than doubled and exports outside North America showed a 7 per cent gain overall. Swedish output of paper increased by about 8 per cent last year. This is likely to be the average figure for the European industry as a whole, says the Swedish Pulp and Paper Association.

Panama Canal Commission considers widening scheme

By Andrew Fisher, Shipping Correspondent

THE Panama Canal Commission is studying whether increasing traffic and the transit of more of the latest large round-the-world container ships will require a \$400m (£363m) investment in a project to widen part of the canal.

The studies should be completed by the end of this year, said Mr Fernando Manfredo, deputy administrator of the Canal Commission. The widening would be done at the Gaillard Cut, an eight-mile long channel through the hills near the centre of the 50-mile canal.

The cut has already been widened from 350 to 500 feet. A final decision will have to be taken by the Commission, which includes board members from both Panama and the U.S.

"If traffic continues its present growth, we could well face the problem of saturation in terms of large ships by the mid-1990s," Mr Manfredo said. New ships of Evergreen Lines, of Taiwan, U.S. Lines and others can take as many as 4,000 container units each.

Widening the cut would enable two large ships to pass in opposite directions, instead of one waiting in wider waters. The canal is due to be handed back by the U.S. to Panama at the end of the century. But

such a large investment would not have been recovered by then, so both governments would have to agree on funding.

Mr Manfredo said the widening project would take at least five years and planning would take two years. The work would need to start before 1990, so a decision would be needed by 1987.

The canal's tolls of \$180 (£160) a ton would not cover the expense. These produce revenues of some \$300m a year and are being held until the end of the 1986 fiscal year on September 31.

The canal currently takes around 30 vessels a day, but can manage 42. Widening the cut would raise capacity to 52, the extra being accounted for by large vessels.

Last year, some \$80m was spent on modernising and maintaining the canal.

The handing back of the canal to Panama on December 31, 1999, will occur under the terms of a treaty signed with the U.S. The 71-year-old canal was built by the U.S.

The Commission, a U.S.-government agency operates the canal, but Panamanian influence over the waterway and its running is being gradually increased.

EEC and U.S. in talks on liberalisation

By Paul Cheeswright in Brussels

EUROPEAN COMMUNITY trade diplomacy moves into a new phase today when Mr Willy de Clercq, the commissioner in charge of external relations, starts talks with the Reagan Administration in Washington on launching a series of liberalisation moves.

Mr de Clercq arrived in Washington with the backing of trade ministers for starting a round of multilateral trade negotiations, the first time the Community has unequivocally backed an initiative sponsored by the U.S. and Japan.

Although the Community is not yet clear when such a round would start, it is willing to give an EEC answer by suggesting it should take place in Brussels. Thus the Brussels Round of the 1980s would be the successor to the Tokyo Round of the 1970s and the Kennedy Round of the 1960s, all held under the auspices of the General Agreement on Tariffs and Trade (GATT).

The decision of the trade ministers late on Tuesday means that the leaders of the world's largest trading bloc are agreed on the need for liberalisation measures.

But Mr de Clercq is expected to find in Washington that when he meets Mr Malcolm Baldrige, the Commerce Secretary, and Mr William Brock, the U.S. Trade Representative, there is a difference in Transatlantic emphasis.

The Community declaration backing trade negotiations carries with it a demand that, in parallel, there should be an effort to improve the working of the international monetary system. Otherwise, the U.S. has been very cautious on such a move and has rejected any linkage.

At the same time the EEC effectively barred from discussion the question of its own export policy for farm products, long the subject of U.S. antagonism. Determination that "the fundamental objectives and mechanisms, both internal and external, of the Common Agricultural Policy should be placed in question" was stressed by the trade ministers.

The EEC has come round to the U.S. view, however, that trade in services is a suitable topic for trade negotiations. The U.S. has been pushing for high technology trade to be included, but on that the Community is silent.

Philips in Taiwan electronics deal

By Robert King in Taipei

PHILIPS of the Netherlands is to co-operate with Taiwan's Electronics Research and Service Organisation (ERSO) in the development of design and production capability for sophisticated integrated circuits (IC) here.

The project will enable IC and Philips Taiwan, the Philips affiliate here, "better able to meet the specific needs of the Asian market," according to Philips.

Philips will invest about \$2.2m (£2m) in the project. A more important component of the co-operation, however, is the "brainpower" which will be made available to the Taiwanese.

ERSO will initially build up its design capability and perform a safety diffusion at its facilities in the Hsinchu Science Park, about an hour's drive from Taipei. Philips will test and assemble the wafers in its \$100m plant in Keelung.

Philips has not yet set production targets for the new chips. However, it said it plans to produce 400m units of various chips in Kaohsiung this year.

Philips Taiwan is one of the country's largest foreign-invested firms, with capital exceeding \$35m. Two subsidiaries here had combined export sales of \$101.5m in 1983, according to the Economics Ministry.

World trade up 9% to record level, says Gatt

By William Dullforce in Geneva

THE VOLUME of world trade grew by 9 per cent last year, recording the largest gain in eight years and reaching an all-time high, according to a preliminary assessment released yesterday by the General Agreement on Tariffs and Trade (GATT).

While welcoming the 1984 trade rebound, the Geneva-based trade organisation noted that it was somewhat less vigorous than the two previous cyclical recoveries of 1968 and 1976 and came after an unusually long period of weak growth.

The GATT secretariat also expressed disappointment that renewed trade growth had not, as it had hoped, helped ease tensions between countries over trade issues.

Among the salient features of 1984 were Japan's emergence as the world's largest exporter of manufactured goods and a relatively strong gain in export earnings by the developing countries, including several heavily indebted nations.

Japan pushed West Germany from the top spot in exports of manufactured goods measured in dollars. A contributing factor is likely to have been the 25 per cent expansion last year in

exports of electronic products, where the Japanese are particularly strong.

The growth in the value of electronic exports was more than twice the average growth for all manufactured goods.

Exports of manufactures with a 12 per cent volume growth—led the trade rebound as they had done in the two previous cyclical recoveries.

Exports of agricultural products and minerals rose by 5 per cent.

Automobile exports rose in value at about the average rate of 10 per cent.

Trade in iron and steel products, which had fallen for three consecutive years, is estimated by GATT to have risen in 1984 at a rate somewhat higher than world steel output.

The developing countries increased their total export earnings by 71 per cent last year with exports of all products except fuels up by 15 per cent.

Monetary and fiscal restraint at home, coupled with the recovery in the industrialised countries, brought about a resumption of export growth in 16 heavily indebted countries, including Argentina, Brazil, Mexico and Nigeria.

LUXLANE TRUST S.A. NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at the offices of Messrs J. & Co. SA (Hoculux), 43, rue Goethe, Luxembourg, on Friday 12th April 1985 at 2 p.m. for the following purposes:

To conduct the ordinary business of the company and to pass the following special resolutions:

(1) That the following amendments to the Articles of Incorporation be adopted and approved:

(a) Article 1 to read "the name of the Corporation is Luxlane S.A."

(b) All references in Articles 4(b), 48(a) and 48(b) to "eliminate" shall be read "provisionally".

(c) Article 25(d) to be renumbered 25(e).

(d) New Article 25(d) to read "The appointment of auditors shall be made by the shareholders in general meeting."

The official agenda of the meeting and copies of the latest annual report and audited accounts will be available as from March 29th 1985 for collection from the offices of Hoculux and the specified paying agents.

Shareholders may vote at the meeting either by attending in person with their share certificate or by depositing with a specified paying agent, voting certificates and certificates of block stock (where applicable) filed with a specified paying agent by 2 p.m. on Wednesday 10th April 1985. The certificate of block voting instruction, voting certificate and certificate of block stock may be obtained from a specified paying agent.

By Order of the Board
J. & Co. SA
Luxembourg

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Rue de la Liberté, 43
Luxembourg

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Messrs J. & Co. SA
Rue de la Liberté, 43
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RESOURCES REVIEW

Colombia keeps cool about its oil windfall

By Paul Betts, recently in Colombia

"IT WAS such a good year for Colombia that even Ecopetrol found oil in 1984," quips Sr Rodolfo Segovia Salas, the former chairman of Colombia's state oil company Ecopetrol, recently appointed Public Works Minister. But like other senior officials and cabinet ministers, Sr Segovia Salas is remarkably cautious about the impact that recent Colombian oil discoveries will have on the country's economy. "Without any doubt we will become an important exporter of crude in two years' time, but we are not all about to become sheikhs."

Since Occidental Petroleum confirmed last summer it had found a major new oil field in the Colombian "llanos" or plains, the Colombian Government has sought to tone down expectations. "They are worried because they don't want to cause another major disappointment in the country," explains M. Yves Philardeau, head of the Colombian operations of Elf Aquitaine, the French oil company with growing interests in the llanos. "Before Occidental made their discovery of Cano Limón, Exxon found a field nearby. They were hoping for about 50,000 barrels a day but the field is producing only about 4,000 b/d," says Sr Segovia Salas.

However, both the Colombians and Occidental agree that there are about 1.4bn barrels of proven reserves in the Cano Limón field. But, Ecopetrol and Occidental differ on the recovery rate of the field. "We put the recovery rate at around 35 per cent," Dr Hammer of Occidental puts it at more than 50 per cent," says Sr Segovia Salas.

According to Colombian estimates, the Cano Limón oilfield is expected to produce about 500m barrels with an additional 100m barrels from a satellite field, Occidental says the fields will produce at least 1bn barrels. "When they talk about 1bn barrels or more, the people of Occidental may be also thinking about their stock price," comments a senior Colombian official.

The arguments over the precise amounts of proven and recoverable reserves at Cano Limón do not disguise the high hopes that Colombia is placing upon oil for its economic development and, more immediately, to help ease the country's chronic foreign exchange problems.

Apart from developing Cano Limón, plans are also well advanced for the construction of pipelines over the Andes to increase the existing oil production from other parts of the llanos and the country's huge \$3.4bn coal project with Exxon at El Cerrejón in the north of the country has recently made its first shipments.

The target is for crude to start flowing from Cano Limón through a \$700m pipeline to the Caribbean Sea in 14 months' time. The new field will not only enable Colombia to achieve oil self-sufficiency but also to start exporting oil in the second half of next year. "We expect to be exporting about 10,000 b/d next year, rising to around 100,000 b/d in 1987," said Sr Ivan Duque Escobar, the new Energy Minister. Cano Limón is expected to produce about 60,000 b/d next year, increasing Colombia's total oil production in 1986 to 250,000 b/d, compared with 177,300 b/d this year, according to the Energy Minister.

In 1987, production from Cano Limón is likely to rise to about 160,000 b/d bringing total Colombian oil production to 345,000 b/d. Subsequently, Sr Duque Escobar explained, total production would dip to around 330,000 b/d in 1988, with output from older fields dropping or levelling off and Cano Limón continuing to produce an average of 160,000 b/d.

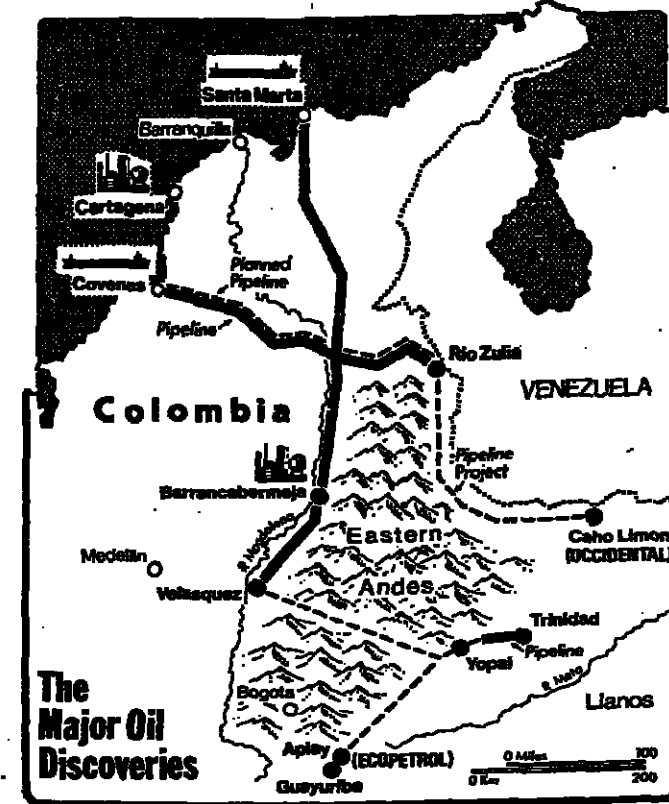
Sr Duque Escobar acknowledges that these are conservative figures. He said the Government's production estimate for Cano Limón is midway between the least optimistic figures of 130,000-140,000 b/d and Occidental's estimate of 200,000-230,000 b/d.

The net impact of Colombia's oil and coal exports will be to turn around the deficit of about \$500m in the country's energy trade balance this year to a surplus of \$500m next year. "Between them, oil and coal exports should be earning us about \$1bn," estimates Sr Segovia Salas.

But two potential obstacles could delay Colombia's swift energy development timetable. The first involves security and the second the availability of large amounts of capital funds. Of the two, the possible financial constraints pose the bigger problem.

Colombia has inevitably suffered from the general problems of Latin American debt. Although it is one of the few countries to have met all its debt obligations so far, a number of international banks have asked for additional IMF guarantees before advancing fresh credits.

Colombia has agreed to make all necessary adjustments required by the banking system to secure new international credits, but it does not want the IMF to impose a programme for the country. "We prefer to do our adjustments ourselves rather than in an induced or forced way," said Sr Roberto.



The Major Oil Discoveries

Bob Hutchison

Junguito Bonnet, the Colombian Finance Minister. "We are not asking for any balance of payments support or debt restructuring. We are looking for support for our energy export projects." Sr Junguito Bonnet added that Colombia had asked for a "relatively small" financial package including \$310m for the El Cerrejón coal project, \$170m for Ecopetrol to help finance oil development and pipeline projects, and a further \$100m in co-financing loans with the World Bank.

Despite the uncertainties of the Latin American financial situation, Colombia appears relatively confident it will secure the necessary funds to finance its energy projects. Officials also emphasise that the

\$1.7bn development of Cano Limón including \$700m for the pipeline and port facilities was secured for Colombia's part by supplier credits. Cano Limón is a 50-50 venture between Occidental Petroleum and Ecopetrol.

The problems of security are also a big worry for oil companies in Colombia. In the remote areas of the llanos, guerrillas and bandits can seriously disrupt operations. Unofficially, the oil companies and their contractors appear to come to arrangements with local guerrilla movements. However, the U.S. companies are especially concerned by the additional threats of the Colombian Mafia against U.S. interests and citizens following

the recent U.S.-Colombian clampdown on the country's thriving narcotics business.

Recently a German engineer was kidnapped and later released by guerrillas in the llanos. He was working on the first section of the Cano Limón pipeline being built by the West German group Manesmann. Kidnapping is a Colombian speciality. Between 150-200 people kidnapped last year in Colombia are estimated to be still held by their captors.

But Sr Segovia Salas, like other Colombian officials, believes security worries are exaggerated, though he admits that "there are uncomfortable situations at times for the oil companies."

In the recent case of the kidnapped Manesmann engineer, Sr Segovia Salas said the German company appeared to have no experience of Colombia. "They thought they were laying a pipeline in the Champs Elysees. You don't go out at night in an open jeep in the llanos. I don't do it in Bogotá."

Colombia's new oil windfall is expected to have a big impact on the country's economy as a whole as its neighbours Venezuela and Ecuador, where oil accounts for the bulk of the country's exports. With about 1.5bn barrels of proven reserves (including 600m barrels from Cano Limón), Colombia accounts for only 0.1 per cent of world oil reserves. Moreover, oil will account for about 20 per cent of the country's total exports and is unlikely to replace coffee as Colombia's principal export commodity. Under the circumstances, Sr Segovia Salas does not see Colombia joining Opec. "We are too small," he says.

Sr Segovia Salas suggests that the oil industry may have something to learn from the international coffee cartel. "I don't think it is improbable that production and consumer countries will eventually find it useful to work out a mechanism similar to the coffee system to stabilise oil prices."

Technology shares get brokers' top performance rating

BY JASON CRISP

HIGH TECHNOLOGY stocks which have come to the market in the last few years have generally outperformed the market by a substantial margin, according to a report by stockbrokers Fielding, Newsom & Smith.

Anyone who invested in all 43 information technology stocks which have gone public in the last three years would have made a 93 per cent gain, according to Mr James Dodd, an analyst at Fieldings.

The brokers note that the gains have been made after a number of problems with the new high-tech stocks. It says the "shake-out" was limited to some well-publicised disasters occurring chiefly among manufacturing companies on the Unlisted Securities Market (USM) such as Acorn Computers, Microvix and Cifer.

Although some others have had profit difficulties these usually occurred after several years sustained growth. For many stocks, profits growth and share price performance continues to be dynamic. Ru-

mours of the sector's ill-health are greatly exaggerated," Fieldings says.

Stocks which now have a full listing show an average gain of 228 per cent since flotation and have outperformed the FT All-share index by 130 per cent. Far fewer fully listed stocks have had problems compared to those on the USM. The successes including Applied Computer Techniques, Micro Business Systems and Systems Designers.

The USM stocks showed a gain of 25 per cent representing a performance 11 per cent less than the FT All Share index. Best performers include MMT, Compulants (C&F), Britat, Instem and Telecomputing. Software and service companies on both markets have shown the greatest overall success, outperforming the index by 183 per cent with an actual gain of 162 per cent. Hardware companies gained 53 per cent, outperforming the index by 13 per cent and distribution companies gained 55 per cent, only 5 per cent better than the index.

State urged to 'free cable development'

BY RAYMOND SMOODY

THE GOVERNMENT has managed to paralyse the UK communications industry almost totally by pursuing contradictory policies, Mr Ronald Cohen, chairman of Alan Patricot Associates, said yesterday.

The Government has followed up its exhortations to invest in cable with economic restrictions and disincentives," he told the Financial Times Cable and Satellite Conference.

Despite all the government-imposed restrictions, the cable industry was expected to pick up the entire bill. The result had been that his company, a venture capital fund with £40m under management, had so far invested £100,000 in cable, which was much less than originally intended.

The Government should either back its policies with cash or let cable develop in the freest possible way, he said.

Mr Ronald Cohen, managing director of W. H. Smith Cable, said the cable industry did not want to be treated like a lame duck but it needed a consistent government policy.

Cable would become an example of the enterprise culture reborn only if certain conditions were met. The Government should deregulate SMATV - dish aerials on blocks of flats and hotels - and direct reception of satellite signals by individuals.

It should also impose minimum controls on cable, set an equal balance of opportunity between broadcasters and the new channels and impose no special taxes when cable operators eventually break through to high profits.

Mr Ronald Cohen, president of Premium International, said the health of Premium's financial performance depended on the growth of new cable system and on the legalisation of SMATV (satellite master antenna television).

Premium had already signed distribution agreements with SMATV operators which would come into operation as soon as the Government legalised reception. Premium's long-term business plan forecast a healthy business for both programme providers and cable operators.

Mr Elio Brinkman, Dutch Culture Minister, said the high cable penetration in the Netherlands had made the country "the playground" of the new media.

The Government wanted to stimulate the new media without destroying the existing broadcasting structure. "The running of the new media will be left to industry, whereas broadcasting for the general public will remain the domain of the non-commercial broadcasting organisations," Mr Brinkman said.

Mr Jose Freches, vice-president of the Paris cable company, forecast that by the year 2000 all the

major cities in the world would have broadband cable allowing people to communicate visually as well as orally. Access to new services and data banks would radically change daily existence.

FINANCIAL TIMES
Cable Television and Satellite Broadcasting CONFERENCE

Mr Michael Storey, general manager of Westminster Cable, said there were indications that there might be significant and continuing economies of scale in both programmes and marketing as the size of cable operations increased.

The results were tentative, but at penetration levels of 33 per cent, the optimum franchise area might be as large as 450,000 homes - much larger than anything planned in the UK at present.

Mr Elio Brinkman, director of programmes for Thorn EMI Cable, said Thorn had proved it was possible to make decent quality television for £1,000 an hour - a fraction of the cost of traditional broadcasting.

"It isn't Jewel In The Crown and it isn't Horizon. But it is the sort of studio-based programmes: current affairs, features, children's, education and religious department of a broadcasting station," Mr Mounter said.

Mr John Griffiths, chairman of British Cable Programmes, which is planning to run an arts channel for cable television said that quality programming on broadcast television was being consistently diluted by "junk".

Cable might even take over some of the public service broadcasting responsibilities of the BBC and the IBA. Cable television's commercial success would rely on an accumulation of quite separate appeals to specific minorities. There would be enough devotees willing to support an arts channel and, perhaps later, business and education channels.

Mr Richard Heeper, chief executive of British Telecom's Value Added Systems and Services, said that interactive services - those requiring two-way communication - would lead the cable TV revolution. They would follow in the path pioneered by entertainment.

In the longer term, a package of interactive services would be developed including electronic publishing, plus electronic mail and home shopping and banking.

The challenge would be to devise a group of services at the right price attractive enough to trigger consumer enthusiasm.

COLOMBIA'S OIL BALANCE

(barrels/day)

	1985	1986	1987	1988	1989	1990
Consumption	217.1	223.1	228.3	233.6	239.1	244.6
Production	173.2	223.1	228.3	233.6	239.1	244.6
Imports	43.9	—	—	—	—	—
Exports	—	19.2	118.1	113.8	99.3	87.5

Receipts (\$m) 524.5 534.0 797.0 715.5 569.7 572.0

Expenditure (\$m) 934.7 502.0 304.7 278.0 253.7 308.5

Trade balance (\$m) (410.2) 32.0 492.3 439.5 316.0 263.5

Source: Ecopetrol.

EUROPEAN INVESTMENT BANK

10½% ECU Bonds of 1984 due March 7, 1994

Pursuant to the terms and conditions of the issue, notice is hereby given to Bondholders that during the eleven-month period ending March 7, 1985, ECU 2,750,000 principal amount of the above bonds were purchased in satisfaction of the Purchase Fund.

Outstanding amount on March 7, 1985: ECU 17,250,000.

European Investment Bank Luxembourg, March 17, 1985

CITY OF BERGEN

7½% 1973/1991

Lux. Fns. Loan

On March 7, 1985, bonds for the amount of Lux. Fns. 21,000,000 have been drawn in the presence of Notary Public for redemption on April 10, 1985.

The following bonds will be redeemable covered due April 10, 1985:

2750 to 3292 incl. 4176 to 4179 incl.

2750 to 3292 incl. 4176 to 4179 incl.

Lux. Fns. 21,000,000

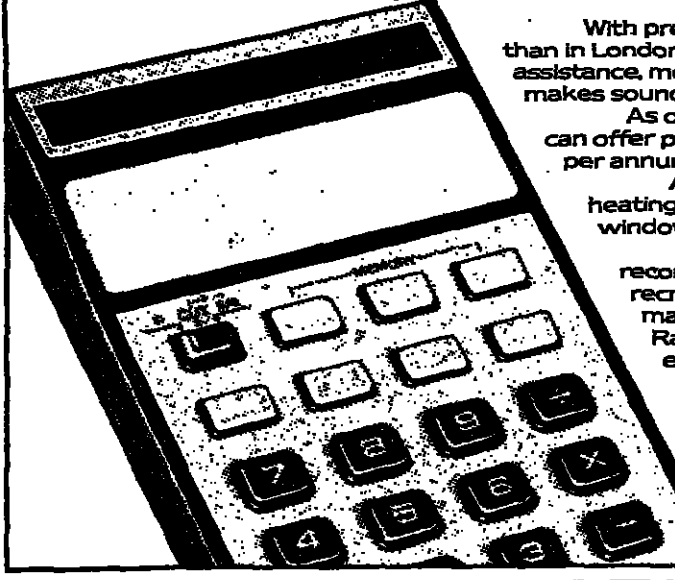
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Luxembourg, March 21, 1985

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Luxembourg, March 21, 1985

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Company Notices

GRUPO INDUSTRIAL ALFA S.A.
FLOATING RATE NOTES DUE 1988
For the three months ended period ending 31st March 1985, the interest rate on the floating rate notes will be 10% plus the London Interbank Offered Rate (LIBOR) for three months.

LEGAL NOTICE
NOTICE is hereby given that the creditors of the above named Company, which have been wound up compulsorily by the Supreme Court of the Commonwealth of The Bahamas, are required, on or before the 15th day of May 1985 to send proofs of their debts or claims, and the names and addresses of their attorneys (if any) to the undersigned.

Ronald Atkinson and Company
P.O. Box 90513
Nassau, N.P. Bahamas

the Official Liquidator of the said Company. In default thereof, they will be excluded from the benefit of any distribution by the said Official Liquidator of the assets of the above named Company.

Dated this 1st day of March AD 1985.
Ronald Atkinson
Official Liquidator

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Airlines shape up for European routes fight

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A BATTLE between independent airlines and British Airways for rights to fly scheduled services on a range of air routes to continental Europe starts next week with public hearings before the Civil Aviation Authority (CAA).

The credibility of the Government's policy, announced last year, of increased competition on European air routes is at stake.

The independent airlines, including Air Europe, Britannia Airways, British Island Airways, Dair-Air and Orion Airways - part of the Horizon Travel group - are seeking various "best only" rights on charter flights, to and from continental destinations.

They are being strongly resisted

not only by British Airways, which flies scheduled services on many of the routes now sought, but in some cases also by each other, where more than one independent has asked for the same route.

The CAA, which must eventually decide who wins which air route, has set aside 14 days for the hearings, on various dates starting next Tuesday and running into late May, to accommodate the vast weight of evidence that is expected.

The hearings are widely regarded in the independent air transport industry as a barometer of both the Government's and the CAA's intentions of widening the scope of competition on air routes between the UK and the continent.

The fact that British Airways has

filed either objections or representations against the independents' bids for routes on which it already flies is regarded as a test of the Government's willingness to adhere to the terms of its White Paper (policy document) on the future of civil aviation, published last year. This endorsed the principle of increased competition.

Most of the air routes involved in the forthcoming hearings are to Spain and Portugal, both from Heathrow and Gatwick, but some also cover southern France (Lourdes) and Italian destinations.

Depending on how these applications fare before the CAA, the independent airline industry can be expected later this year to seek many more European air routes.

Britain admits debt on Tornado project

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

THE MINISTRY OF Defence has acknowledged that Britain owes Germany £250m on the Tornado aircraft programme but has declared that it hopes the debt can be made good by a rearrangement of work on the three-nation project rather than by direct cash payment.

The debt, which has been the cause of some friction between London and Bonn, has arisen because Germany has carried out more work on the new combat aircraft than was originally planned under the complex work-sharing formula drawn up between Britain, Italy and Germany more than a decade ago.

Last month, in a report critical of the ministry's attitude to some collaborative defence projects, the influential House of Commons Public

Accounts Committee (PAC) said it was concerned that Britain was not getting its share of the work on the Tornado.

In a reply to the PAC, published yesterday, the Treasury said the ministry expected to repay half the debt by 1989 by doing more work in the "in service support phase" of the project, which could apparently cover anything from the purchase of spares to the mid-life refit of the aircraft.

However, the ministry has accepted that if the whole sum owed cannot be repaid in this way, Britain will be obliged to repay in cash what remains at the end of the Tornado's production phase, due in late 1989. Yesterday's statement commented "until then, the UK benefits."

Fraudulent Telecom investors may face criminal charges

BY STEFAN WAGSTYL

THE GOVERNMENT last night carried out its threat to take legal action against investors suspected of submitting fraudulent multiple applications for shares in the British Telecom flotation at the end of last year.

The Department of Trade and Industry said that it had referred the cases of "certain suspected fraudulent multiple applications" to the Director of Public Prosecutions (DPP).

It is understood to be the first time that the DPP has been called in to consider whether to bring criminal charges against investors making multiple applications in a public flotation.

The department last night refused to say how many people were involved in the cases sent to the DPP. A spokesman said, however,

that they concerned "the most obvious and most blatant" multiple applications.

"It is entirely up to the DPP how it proceeds and against whom," said the spokesman. Last month, the department said that 6,000 of the 2.3m public applications for the issue in November had been multiple applications.

It made clear, however, that 10 or 12 large organised groups had been identified. It seems likely that the cases now referred to the DPP concern some or all of these groups.

The Government cashed cheques worth £250,000 from the organised groups, but later returned the money. Cheques were returned uncashed to other suspect investors.

Nevertheless, last night's move may come as a surprise to many in the City of London who believed

that the Government would have been satisfied with punishing the identified suspects by cashing their cheques and keeping the interest earned on the money over a few weeks.

It now seems clear that, whether prosecutions are eventually brought or not, the Government means to warn off investors from submitting multiple applications in future public flotations, including the sale of its stake in British Aerospace, British Airways and the Royal Ordnance Factories.

Opposition MPs in the House of Commons claimed last December that the Government had underpriced the shares and had cost the taxpayer more than £1.25bn by selling British Telecom more cheaply than it could have done.

Pay rises outstrip rate of inflation

INCREASES in earnings are continuing to outstrip the rise in the rate of inflation, according to Government figures published yesterday, although the rate at which earnings are rising continues to remain stable.

Department of Employment figures announced yesterday show that the underlying rate of increase in average earnings continues to run at 7.5 per cent, maintaining a stability which now stretches back to last July, when there was a slight fall from 7.75 per cent.

However, the actual rate of increase in earnings for January over the previous 12 months was 7 per cent, according to the department.

The figure is depressed because of the effects of the coal strike, which reduced earnings in January by a greater extent than the overtime ban 12 months before, and by delays in due pay settlements, such as that for the local authority manual workers.

Substantially higher back pay helped offset these factors and helped push the monthly rate up from 6.6 per cent in December. The department regards all these factors as temporary.

But in production and manufacturing industries, both the underlying and actual rates of increase were higher than for the whole economy, continuing the reports of independent pay research companies of higher rises in these sectors.

In production industries, the underlying increase in the year to January was about 8 per cent, with an actual increase, again hit by the coal strike, of 7.1 per cent.

For manufacturing, the underlying rate was about 8.5 per cent, with a high monthly rate of 9.4 per cent - though again DFE officials pointed to the impact of back pay showing through.

LORD SIEFF, president of Marks and Spencer, Britain's biggest retailers, since retiring as chairman last July, is to retire from the board in September this year.

Lord Sieff, 72, will by then have completed 30 years service with the company - one of only seven Marks' employees to celebrate their personal golden jubilee with the company which itself celebrated its centenary last year.

Sir Alex Jarratt is stepping down as chairman of the Reed International paper and publishing group. The new chairman, from August, will be Mr Leslie Carpenter, who has been the group's chief executive since October 1982.

THERMAL underwear business of Vedotis, part of the George Spencer textiles group which went into receivership earlier this year, has been rescued. Orchid, a Nottingham textile company, has purchased the business from the receiver, saving 160 jobs.

BANK XEROX Pension Fund is to make up to £1m available to small companies needing injections of equity under £50,000. Bank Xerox said: "It is a high risk, high growth opportunity."

Greeks impose rules on UK tour groups

BY ARTHUR SANDLES

HOTELIERS on the Greek island of Rhodes are imposing special conditions on British tour operators to the island because they are concerned about the rash of problems in the UK tour business.

The island's hotel association has written to tour companies demanding two major concessions. The first is that operators should pay a deposit equal to two weeks' payments of their peak-season business.

They are also threatening to invoke article 13 of the Greek hotel code which allows hotels to cut back peak-season bookings by tour companies to the levels which the companies produced in the off-season.

The impact of the first move on tour operator finances would be considerable, since normally payment is not made to hotels until the departure of guests.

The second move is seen as a means of staving off an almost inevitable outbreak of over-booking in Greece this year. Hotels are thought to have considerably over-committed themselves for the summer, and are looking at ways of legally turning people away.

The British travel industry is having second thoughts about prospects of Greek tourism this year. In recent weeks the Greeks have announced their intention to considerably increase departure taxes and the latest fuel surcharge notifications suggest that tour customers may face imposts of £12 on each holiday to the more distant islands.

Mr Tim Tims, of Timesway Holidays, one of the leading operators to the Greek islands, said he would be seeking clarification immediately from hotels. "Most of our programme is self-catering, which we pay for whether it is used or not, but as far as hotels are concerned we simply want to know whether they are taking our customers or not, and know early."

Mr Tom Allen, another Greek major, summed up negotiations with hoteliers although again self-catering was not affected.

Some indication of how serious the trading conditions are proving for tour operators will come with the annual renewal of Air Tour Operator Licences for half of the UK's tour companies at the end of this month (the other half renew in the autumn).

It looks as if as many as 10 per cent of the 250 operators up for renewal will either not bother or will not have their licences granted. No major companies are likely to be involved.

U.S. interest pushes wine prices higher

BY EDMUND PENNING-ROWSELL

THOUGH the dollar is down and most of the big buyers at yesterday's Sotheby's wine sale were buying on American accounts, prices of rarities and leading vintages were higher than expected.

Many of the lots came from private Belgian cellars, known for their discriminating contents. But it was from the cellar of an Oxford don that came two pre-Phylloxera rarities: single bottles of Mouton-Rotschild 1870 and Lafite 1874 that made £200 and £260 respectively.

From the same source came a Petrus rarity from the years before this now highly-esteemed Pomerol was widely known: a chateau-bottled 1924 made £900. A magnum of Petrus 1981, one of the most sought-after wines in the saleroom, made £1,300, with single bottles going for £500. Other prices for this chateau's

wines included a record £3,200 for six bottles of the 1947, £1,250 for six of the 1952, a record £4,000 for a case of the 1953 and £1,200 for a dozen 1964. The rare Cheval-Blanc 1947 reached £1,350 for six bottles and three Mouton-Rotschild 1947s went for £820.

Near or near-record prices were reached for first-growth 1953 in six-bottle lots: Mouton-Rotschild (£1,150), Lafite (£950), Margaux (£800), and Haut-Brion (£600).

Other rarities included £3,000 for a case of Romanee-Conti 1958, £300 for a bottle of 1811 Napoleon Cognac and £300 and £220 for single bottles of Yquem 1906 and 1929. A curiosity was one of only four known late 17th century English revelling wine cisterns which went for £2,000.

Robots for U.S. market

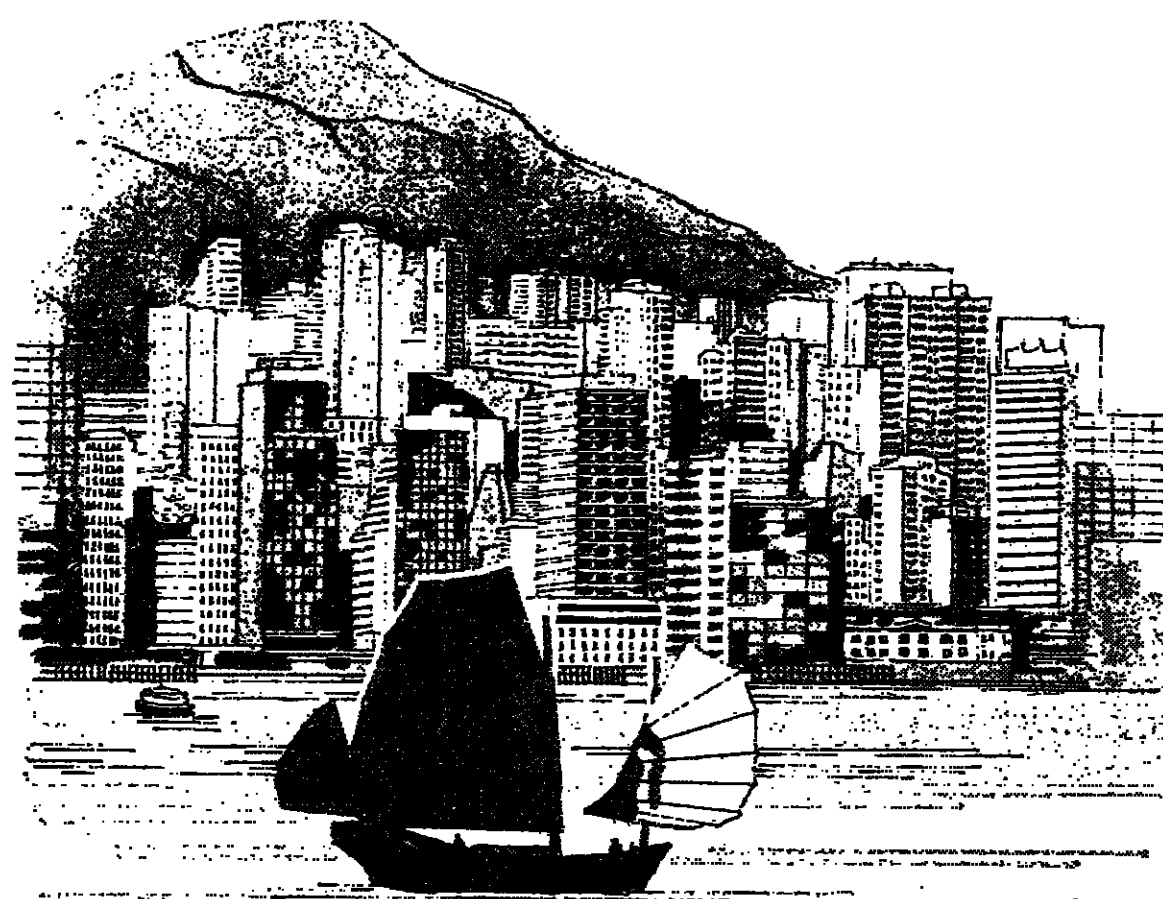
BY ARTHUR SMITH

UNIMATION, the UK subsidiary of Westinghouse of the U.S., yesterday launched the first of a series of robots being developed under a £3.5m programme funded jointly with the Department of Trade and Industry (DTI) and the British Technology Group.

The company, which has previously supplied only the European market, will, for the first time, export robots to the U.S. Two thirds of the present production of 15 robots a month will go to the U.S.

Mr Chester Sadow, chairman of Unimation, said yesterday that the FUMA 701/2 was only the first of a series of new advanced robots to be launched this year. Further investment would be made in the UK depending on the market success of the products.

Of the £3.5m programme, Westinghouse has provided £2m. The DTI has given research grants of £1.5m while the British Technology Group has contributed £2m on which it will receive royalties beyond an agreed level of output.



Hong Kong Skyline

HONG KONG

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UK NEWS—AFTER THE BUDGET

'Delaware link' tax loophole stays open

By Clive Wolman, Personal Tax Correspondent

THE GOVERNMENT is abandoning its proposals, published in November, to close a loophole exploited by multinational corporations allowing them to receive tax relief twice over on interest payments.

Under the loophole—popularly known as the Delaware link—multinationals establish companies with dual residence in the UK and another tax jurisdiction, most commonly Delaware in the U.S.

The purpose of these subsidiaries is to borrow money for the group. Interest payments on the loans create tax losses for the subsidiaries, which can be used to reduce the taxable profits of other UK and U.S. companies in the group.

In a consultative document published in November, the Government said it was suffering tax losses of about £100m a year from this avoidance.

Its proposals could affect about 100 multinational corporations. The measures were aimed at preventing a dual resident company from passing its tax losses to other UK members of the group.

The multinationals and accountancy firms submitted objections to the proposals which appear to have persuaded the Government to think again. These were:

- Few multinationals abused the rules in this way.
- Harsher rules would discourage U.S. investment in the UK, as U.S. companies could continue to claim double relief in other European countries.
- U.S. tax authorities were to blame for any abuses, because they permitted companies to claim residence in their jurisdictions on an artificial basis. It was therefore not the Government's fault.

● If the rules changed, companies would leave their debt in the UK rather than the U.S.—so the Inland Revenue would not benefit.

The Government has said it would not introduce legislation this year. However, the Inland Revenue would "keep the matter under close review, and if there is evidence of growing exploitation at the Exchequer's expense," anti-avoidance provisions would be reconsidered.

VAT ruling for foreign advertisers

By Sue Cameron

THE TREASURY announced yesterday that overseas companies advertising in the British press would not have to pay the 15 per cent value added tax imposed on newspaper and magazine advertisements in the Budget.

The Treasury added that all companies advertising in magazines or newspapers printed in Britain but wholly distributed abroad would also escape the tax.

Both groups of advertisers would be covered by the provisions on international services in the Value Added Tax Act of 1983. They would therefore be zero rated for VAT purposes in the UK.

The Chancellor's decision to extend 15 per cent VAT to all press advertising came in for further criticism yesterday. Initial hostility had been tempered by relief at the Government's decision not to put VAT on the cover prices of newspapers, magazines and books.

Dollar and North Sea oil save Lawson from tax rises

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

MR NIGEL LAWSON'S Budget was generally judged to have been tight but the detailed figures published in the accompanying Red Book show that it might easily have been very much worse.

The Chancellor was saved from the need for large—and perhaps humiliating—tax increases only by the dollar and North Sea oil.

The Red Book (Financial Statement and Budget Report) shows that total Government revenue for 1985-86 is expected to be some £70m higher than the same period the Treasury's estimate of non-oil revenues has fallen by £1bn.

A £1bn rise in the estimate for oil revenues helped to plug the gap but it is clear that the Chancellor was looking at an entirely different picture than that presented in his last Budget when tax cuts of £2bn were pencilled in for 1985-86.

The true rise in expenditure is not quite as much as the overall expenditure figure because of accounting changes in the way that nationalised industries are expected to finance themselves.

If this is allowed for, the worsening comes down to about £5bn, of which £2bn is the estimated rise in net interest payments on the national debt. On the other side of the account about three-quarters of the £1bn fall in non-oil tax revenues represents the cost of the "give away" in Tuesday's Budget.

Nevertheless the picture presented to the Chancellor must have been a depressing one in January, when the markets were in turmoil and sterling threatened to go into free fall. A rapid rise in expenditure was dipping into a revenue bag which was being topped up at



Mr Nigel Lawson: Displayed high degree of caution

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Nevertheless the picture presented to the Chancellor must have been a depressing one in January, when the markets were in turmoil and sterling threatened to go into free fall. A rapid rise in expenditure was dipping into a revenue bag which was being topped up at

most entirely by the uncertain tribute exacted from North Sea oil.

This pressure on the spending side was probably at least as important in the Chancellor's mind as the threat to sterling, when he decided to reduce tax cuts to the minimum which would be politically acceptable.

For in spite of the considerable euphoria which has put on the costs of the miners' strike, most of his problems for 1985-86 cannot be blamed directly on the miners.

Mr Lawson's high degree of caution, which pushed next year's reserve up to £5bn, underlines his Budget speech statement: "Controlling public expenditure is one of the most difficult tasks facing any democratic government in the modern world."

In the current year much of the over-run in public spending certainly could be laid at the miners' door. In borrowing terms the Chancellor said it had cost £2.75bn, accounting for a large part of the expected £3.25bn over-run from the £725bn target announced a year ago.

But the cost in 1985-86 should be much less even though the Treasury hopes that starting up costs and wages for miners who are not yet producing could be up to £1bn.

There is also the continuing cost of interest payments on

the Government's debt, because it would involve a significant shift in the burden of personal tax: single-earner couples and, to a lesser extent, single people would gain relative to two-earner couples.

However, if there were scope for overall real tax cuts, the Government could hold steady while thresholds were raised substantially for single-earner couples and single people.

A strong argument for the new system is that it could alleviate the poverty trap. Many one-earner families receiving family income supplement would be taken out of tax altogether if they received the

GOVERNMENT FINANCES. CHANGES SINCE LAST YEAR	Changes from 1984 Budget projection (£bn cash)			
	1984-85	1985-86	1986-87	1987-88
Expenditure				
Planning total:				
Estimating changes	+3½	+2	+2	+2
Budget measures	+1	+2½	+2½	+2½
Other adjustments:				
Public corporations' market and overseas borrowing	-1½	+1½	-	+1
Other	-	+1½	+1½	+1
General Government expenditure	+2½	+7	+7	+6½
Receipts				
North Sea tax	+2	+4	+2	+1
Other taxes	-1	-2	-1	-1
Interest and other receipts	+1½	+1½	+1	+1
General Government receipts	+1½	+3½	+2½	+2½
General Government expenditure less receipts	+1	+3½	+4½	+4
Implied cumulative fiscal adjustment	-	-2	-3	-3

this year's extra borrowing at rates which are exceptionally high, partly because of the strike.

These extra interest payments reduce the room for manoeuvre not only in the next financial year but up to the end of the decade and beyond. By 1988-89, gross interest payments are estimated at £19bn, which is £5bn more than expected a year ago and almost 15 per cent of the public expenditure planning total pencilled in for that year.

Every year in which the public sector borrowing requirement over-runs its

equivalent of two single tax allowances.

The Chancellor may also favour the reform because it would reduce the incentive for married women to take paid employment. Slower growth of the labour force might make cuts in unemployment possible.

A system of fully transferable personal allowances would not satisfy everyone. It was not the reform favoured by the majority of submissions on a 1981 Green Paper on the taxation of husband and wife.

There is general acceptance that the married man's extra allowance should be phased out, but less agreement on how the cash released should be

spent. Some argue the UK should adopt a form of "mandatory independent taxation," under which everybody would get an equal tax allowance but it would not be transferable.

The reasoning is that tax should be based on the individual. Under the system favoured by the Chancellor, the basic tax unit is the married couple.

Those who prefer non-transferable allowances argue that the Government's approach would waste resources. The cash released by phasing out the married man's allowance, they argue, should be used to raise child benefit, helping only those families where wives can

work because of dependent children.

Fully transferable allowances, it is argued, would represent a blanket subsidy to one-earner couples regardless of whether wives wanted to work. For example, a one-earner couple which employed a housekeeper so that the wife did not work in the home would still benefit under the Government's scheme.

An important question is whether it is necessary to wait five years for this overhaul of personal taxation. Computerisation would make a system of transferable allowances much easier to operate but it might be possible to devise a rough and ready reform before then.

Financial Strategy suggests for that year.

In spite of this caution, the Chancellor's plans still envisage substantial tax cuts in the run-up to the next general election. In the three financial years up to 1988-89, the latest Red Book suggests scope for £9.5bn in tax cuts—or "fiscal adjustment"—which the first instalment of £3.5bn is equivalent to about 3p off income tax—scheduled for 1986-87.

Even though this is rather more cautious than the £11.5bn suggested in the last Red Book, there is plenty of room for scepticism. It could easily be swallowed up in higher spending, interest payments or the thousand natural shocks to which the plans are heir.

Nevertheless, it is clear that Mr Lawson has made a serious attempt to ensure that tomorrow's jam really does exist. His projection for future oil revenues is based on very pessimistic assumptions about production and currencies.

On the other hand, his total reserve against over-spending up to 1987-88 would be enough to cut the rate of income tax to 15p. In combination with the fiscal adjustment for the period and a bit of luck he would have enough to abolish income tax altogether by the end of the general election. What a fantasy!

And with the prospect of relatively high interest rates remaining for the rest of this year, few were forecasting that Tuesday's measures would herald strong advances in the gilt-edged or equity markets.

Most brokers were predicting that interest rates would come down only very gradually over the rest of this year, although some forecast that they could be at 10 per cent by the end of 1985.

Reforming Chancellor finds himself up a financial cul-de-sac," said De Zoete & Bevan. The broker was echoing most City analysts' reactions to the decision to rule out taxation of pensions and any extension of VAT, and to defer reform of personal taxation.

Hoare Govett, broker, was more critical, calling the Budget "a timid affair which sets political expediency over economic logic" and it predicted "an appreciable slowdown in economic growth this year."

It conceded, however, that the amendments to National Insurance contributions "did display a dash of imaginative thinking."

There was also some concern that while Mr Lawson's stringent policy stance should underpin sterling, the prospect of smothering "high-interest" interest rates and thereby damage economic recovery next year.

The judgement of Capel Cure Myers was that Chancellor's unwillingness to defend special interest groups and overruns on public spending had severely limited his ability to give a supply-side boost to the economy through bigger tax cuts.

Griverson Grant forecast that the "jobs package" announced by the Chancellor was unlikely to make any significant dent in the unemployment rate, while the Laing & Crutchfield said the measures might generate fewer than 100,000 new jobs.

There was, however, a welcome for Mr Lawson's abolition of a number of stamp duties, for the amendments to capital gains tax and for forecasts that a number of sectors of the stock market could benefit from the Budget.

The decision to shelve a further extension of VAT was good news for construction, more than 76,000 managers, commented: "Limited resources have been used wisely with some useful measures, particularly to produce a better quality of workforces through the expansion of the Youth Training Scheme and through the encouragement of small businesses."

Mr Bryan Nicholson, chairman of the Manpower Services Commission, said the expanded Youth Training Scheme would be young people entering the labour market better qualified for full-time jobs.

Sir Terence Beckett, director general of the CBI, wrote to the Chancellor yesterday to thank him for his Budget comments on pensions. It had been exactly the response the CBI had wanted to its "hands off people's pensions" campaign.

Sir Terence wrote that rumours of possible tax changes had been very detrimental to the development of private occupational pension schemes. "Your statement has ensured that such rumours do not resurface in advance of future Budgets."

Perks such as company cars already fall within the Inland Revenue's remit, but not within the National Insurance liability.

Green Paper will aim to even out personal tax anomalies

BY MICHAEL PROWSE

THE GOVERNMENT has postponed an overhaul of the personal tax system until 1990 because it believes little can be done before the Inland Revenue's computerisation is complete in 1989. But a Green Paper to be published later this year will focus on the need for a new system of personal allowances.

The present system of personal allowances is widely regarded as anomalous. A married man's tax allowance is 14 times a single person's. Since a married woman in paid work gets an ordinary single allowance, the total allowance of a man and wife who both earn is bigger than that of two

single people. Yet if a wife works in the home, a married couple will get only 1½ single allowances.

The Green Paper will argue that everybody, male or female, married or single, should receive the same tax allowance, regardless of whether one or both partners were in paid employment.

Under the proposed system, all married couples would have the same total tax allowances as two working single people, regardless of whether one or both partners were in paid employment.

The reform would have to be phased in over several years,

whether the industry favours ending Serps or is violently opposed. The reaction of wait and see is in stark contrast to its reaction to hints that pensions were to be changed. In the latter case it organised a highly vocal and successful lobby against such changes.

All submissions on the personal pension proposals assumed that Serps would continue in its present form. What is the reaction of the industry to personal pensions if it disappears?

The industry has only a few weeks to sort out its views and let them be known to Government. It is understandable that the industry should be relaxing after all their efforts made in lobbying on pensions tax. But time is not on their side.

However, the Chancellor has not finished with pension tax considerations. There are two tax systems in operation—one for company schemes and another for the self-employed. He has to decide whether personal pensions come under company rules, self-employed rules or another set of rules.

TUC anger at dismissal proposals

By Philip Bassett, Labour Correspondent

TUC LEADERS yesterday decided to protest to Mr Tom King, Employment Secretary, about the Government's proposed changes in unfair dismissal provisions and in the role of wages councils.

Mr King is to publish, probably today, a consultative Green Paper on the future of wages councils—which set minimum pay rates for about 2.75m workers—including considering their abolition.

In addition, the Chancellor announced that the qualifying period of employment necessary before statutory provisions against unfair dismissal come into effect is to be increased from one year to two, for all companies.

The TUC's employment policy committee decided yesterday to write to Mr King to express its "grave concern" about the moves, which Mr Norman Willis, TUC general secretary, described as "dangerous and wrong-headed," depriving millions of workers of their "modest" protection in this area.

Mr Willis said: "There is no evidence that the proposals behind this move. Pushing wage levels even further below the poverty line will do nothing to cut the dole queues."

He thought the proposed cuts in National Insurance contributions would lead to a new cluster of poverty traps at each earnings level where the rate changed.

The IoD argued that that the Chancellor had "skillfully squeezed from limited resources" a wide range of valuable employment and enterprise measures which would boost jobs and training opportunities.

The IoD particularly welcomed the specific proposals to boost jobs such as the reduction in National Insurance contributions to the self-employed, the hint that wages councils may be abolished, the expansion of the Youth Training Scheme and the community programme and the abolition of Development Land Tax.

Mr David Trippier, minister with special responsibility for small companies, yesterday supported Mr Nigel Lawson's Budget decision to encourage property developers from the Business Expansion Scheme.

Speaking at the launch of a small business investment portfolio by Rank Xerox Pension Fund, Mr Trippier said: "I am very glad that the Chancellor has outlawed property developers from the BES. The last thing that we wanted to see was an abuse of this particular scheme."

Nor does ICI believe that the NI increase will damage recruitment. "If we need to hire someone at a high salary, we will," Willis Faber, the London insurance broker, which yesterday reported profits of £47m, employs traditionally highly paid staff. It calculated the changes would cost £750,000 pre-tax.

The really big companies which clearly find it easier to absorb the extra costs of hiring top skills. The Institute of Directors said it was the smaller companies, in financial services, high technology industries and the skilled service sector which were more likely to be hit.

It welcomes the changes at the bottom end of the scale,

Disagreement over prospect for jobs

BY RICHARD EVANS

REACTIONS TO the Budget concentrated yesterday on the likely impact on employment as the full implications of the Chancellor's statement became clearer.

Predictably, while the Confederation of British Industry and the Institute of Directors and the British Institute of Management praised the attempts to boost jobs, the trade unions criticised the provisions as totally inadequate.

Mr Norman Willis, TUC general secretary, commented: "To call this a Budget for jobs is a poor joke in bad taste." He described it as lacklustre, lacking in honesty and compassion and lacking any genuine measure to create jobs.

He believed the Budget would do nothing to help Britain compete in the world of the 1980s as the Chancellor had totally ignored the widespread demands for a major programme of public spending to rebuild Britain. It was "a step back into the 19th century."

Mr Rodney Bickerstaffe, general secretary of the National Union of Public Employees and a leading campaigner for the lower paid, said: "The Chancellor is fiddling around the fringes of taxation while the economy burns."

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Relief for pensions industry

BY ERIC SHORT

THE CHANCELLOR'S announcement that his Budget proposals did not affect the tax structure of pension schemes has been received with relief by the whole industry.

The nature of his statement has been interpreted, rightly or wrongly, as leaving pensions alone for any tax reform for at least the lifetime of this parliament.

The industry now can concentrate on the proposed reform of pension provision in the UK being undertaken by Mr Norman Fowler, the Social Services Secretary—a review to which Mr Lawson referred in his Budget speech.

More than a year ago, Mr Fowler announced a review of the whole structure of social security in the UK, including a close look at pension provision in both the state and the private sector.

Last July, he unveiled his proposals for a system of personal pensions and a few weeks ago there were strong indications that the Government was considering abolishing the State Earnings-Related Pension Scheme.

The public does not know whether the industry favours ending Serps or is violently opposed. The reaction of wait and see is in stark contrast to its reaction to hints that pensions were to be changed. In the latter case it organised a highly vocal and successful lobby against such changes.

All submissions on the personal pension proposals assumed that Serps would continue in its present form. What is the reaction of the industry to personal pensions if it disappears?

The industry has only a few weeks to sort out its views and let them be known to Government. It is understandable that the industry should be relaxing after all their efforts made in lobbying on pensions tax. But time is not on their side.

However, the Chancellor has not finished with pension tax considerations. There are two tax systems in operation—one for company schemes and another for the self-employed. He has to decide whether personal pensions come under company rules, self-employed rules or another set of rules.

Nor does ICI believe that the NI increase will damage recruitment. "If we need to hire someone at a high salary, we will," Willis Faber, the London insurance broker, which yesterday reported profits of £47m, employs traditionally highly paid staff. It calculated the changes would cost £750,000 pre-tax.

The really big companies which clearly find it easier to absorb the extra costs of hiring top skills. The Institute of Directors said it was the smaller companies, in financial services, high technology industries and the skilled service sector which were more likely to be hit.

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It welcomes the changes at the bottom end of the scale,

A package with few surprises, says City

By Philip Stephens

CREDIBLE, but hardly imaginative. That was the City's considered judgment yesterday on Mr Nigel Lawson's Budget.

The Chancellor's decision to "play safe" with public borrowing, monetary policy and sterling gave financial markets the confidence they had been seeking after the exchange and interest rate debacle in January.

A shift to tighter control of the money supply, a substantial cut in the public sector borrowing requirement and increased emphasis on defending sterling had been the City's central demands over the past few weeks.

For his pains, Mr Lawson was rewarded yesterday with a small cut in base rates to bring the general level of borrowing costs down to 13½ per cent.

The pound, whose steep fall earlier in the year wrecked his plans for a more ambitious and expansive Budget, edged up further against most currencies though it lost some ground against a recovering dollar.

But after the promise held out by the Chancellor's first Budget in 1984, he won few accolades for what was seen as a timid approach to tax reform.

And with the prospect of relatively high interest rates remaining for the rest of this year, few were forecasting that Tuesday's measures would herald strong advances in the gilt-edged or equity markets.

Most brokers were predicting that interest rates would come down only very gradually over the rest of this year, although some forecast that they could be at 10 per cent by the end of 1985.

Reforming Chancellor finds himself up a financial cul-de-sac," said De Zoete & Bevan. The broker was echoing most City analysts' reactions to the decision to rule out taxation of pensions and any extension of VAT, and to defer reform of personal taxation.

Hoare Govett, broker, was more critical, calling the Budget "a timid affair which sets political expediency over economic logic" and it predicted "an appreciable slowdown in economic growth this year."

It conceded, however, that the amendments to National Insurance contributions "did display a dash of imaginative thinking."

There was also some concern that while Mr Lawson's stringent policy stance should underpin sterling, the prospect of smothering "high-interest" interest rates and thereby damage economic recovery next year.

The judgement of Capel Cure Myers was that Chancellor's unwillingness to defend special interest groups and overruns on public spending had severely limited his ability to give a supply-side boost to the economy through bigger tax cuts.

Griverson Grant forecast that the "jobs package" announced by the Chancellor was unlikely to make any significant dent in the unemployment rate, while the Laing & Crutchfield said the measures might generate fewer than 100,000 new jobs.

There was, however, a welcome for Mr Lawson's abolition of a number of stamp duties, for the amendments to capital gains tax and for forecasts that a number of sectors of the stock market could benefit from the Budget.

The decision to shelve a further extension of VAT was good news for construction, more than 76,000 managers, commented: "Limited resources have been used wisely with some useful measures, particularly to produce a better quality of workforces through the expansion of the Youth Training Scheme and through the encouragement of small businesses."

Mr Bryan Nicholson, chairman of the Manpower Services Commission, said the expanded Youth Training Scheme would be young people entering the labour market better qualified for full-time jobs.

Sir Ter

UK NEWS—PARLIAMENT and POLITICS

Pym demands change in economic strategy

BY IVOR OWEN

MAJOR CHANGES in the Government's economic strategy so that the "bugeyman" of borrowing is not allowed to stand in the way of effective measures to reduce unemployment were demanded by Mr Francis Pym, former Foreign Secretary, when the Budget debate was resumed in the Commons last night.

In another penetrating speech from the Tory backbenches, he acknowledged that there was nothing in the Budget to which exception could sensibly be taken. He argued, however, that it was far too restrictive because the Chancellor was operating within a straitjacket of his own choosing.

To cheer from the Opposition benches and to the obvious discomfort of ministers on the government front bench, Mr Pym insisted: "We ought to be questioning why he bound himself up in this way in the first place."

"It is this straitjacket which makes it impossible for him to produce a real Budget for jobs."

Mr Pym's criticism was made all the more unpalatable for ministers because it endorsed many of the views expressed by Mr Roy Hattersley, Labour's deputy leader and shadow Chancellor, who maintained that the Budget should have contained a £5bn jobs package.

Mr Hattersley contended that £2.5bn should have been added to the Public Sector Borrowing Requirement to finance a capital investment programme to restore Britain's crumbling infrastructure, and a further £2.5bn should have been provided for direct job-creation



Mr Roy Hattersley: Restore Britain's crumbling infrastructure; Mr Francis Pym: Budget was far too restrictive

designed to reduce unemployment by over 200,000 this year.

Mr Pym challenged the whole basis of the Government's economic policy, and called for the Medium Term Financial Strategy to be rewritten to permit a larger Public Sector Borrowing Requirement and action to stimulate demand.

He stressed that on the basis of present policies, he could see no signs that the number of people out of work would fall appreciably for some years to come.

Mr Pym said many MPs found it inconceivable that such an unacceptable situation should not influence substantially the objectives and strategy of the Government.

He called for the adoption of a revised strategy which would provide the opportunity for sustained growth in output, increased competitiveness in British industry, and the creation of more jobs both immediately and in the long term.

Mr Pym also advocated higher public investment,

measures to provide an incentive for more investment in the private sector, the creation of a major regional aid and development programme and a more considered attitude towards the sterling exchange rate.

One area in which he was in agreement with the Chancellor was that the objectives of reducing inflation and reducing unemployment need not clash. But he pointed out that the control of inflation achieved under present policies

had been accompanied by an inexorable rise in unemployment.

He insisted that the time had come to look for changes in policy and said: "There seems little advantage in reshuffling a pack which, so far at any rate, has failed to produce any 'aces'."

Amid further cheers from Opposition MPs he declared: "The real criticism of the Budget and of the Government's economic policy in general is not that it is wrong, but that it is not adequate for the problems we face and the tasks in hand."

He accused the Chancellor of mismanaging the sterling crisis in January, through a combination of "bluster and indecision" with the result that the pound had fallen to a lower value against the dollar than it needed to have done.

Mr Hattersley argued that the Chancellor refused to admit that it had an exchange rate target because to do so would amount to an admission that the Medium-term Financial Strategy had collapsed.

Mr Hattersley, who intervened to declare: "There is no exchange rate target."

He challenged the shadow Chancellor to say, if he believed there should be such a target, what his preferred exchange rate for the pound would be.

Mr Hattersley retorted: "I do not believe that the possession of a target is the same as the announcement of a target."

Mr Hattersley maintained that, despite the Chancellor's claim to have introduced a "budget for jobs," the reality was the Government had opted for the high unemployment option.

Left group optimistic on aftermath of pit strike

By Margaret van Hattem, Political Correspondent

THE MINERS' strike, while exposing weaknesses in the Labour Party machine, revitalised much of the party and has opened the way for more successful campaigning in the future.

That is the optimistic conclusion of a discussion paper published yesterday by the Labour Co-ordinating Committee, a left-wing pressure group.

The paper, while sharply critical of the leadership of both party and the National Union of Mineworkers, insists that the NUM called a halt to the headlong retreat of the union movement and "gave a more positive and principled socialist lead than anyone else in the trade union movement had done for a long time."

If the party can avoid "the luxury of a period of internal reorganisation," it adds, lessons in campaigning learnt from the strike and links within the Labour movement forged during it will be invaluable in fighting the next general election.

Among its many criticisms of the conduct of the dispute, the LCC includes:

- Labour's unpreparedness, despite signals that the Government was making long-term dispositions for a confrontation well in advance.

- The NUM's failure to hold a ballot, which it calls "bad tactics and bad politics" sustained by "bogus argument."

- Violence by miners, particularly against the houses and property of other miners, and the refusal by Mr Arthur Scargill, the NUM president, to condemn it.

- The development of a personality cult around Mr Scargill, and his exaggerated claims "repeated ad nauseam" about coal stocks.

- The Labour leadership's attempts to stay apart from the daily work of the dispute, which allowed the Government to set the agenda and keep Labour on the defensive.

- The inability of Labour's national executive committee at party headquarters to do more than pass resolutions and its inability to produce more than one leaflet. This, it comments, "reflects the inability of the party machine to switch to campaigning."

The LCC points to the NUM's success in involving in the strike many thousands, both in the Labour movement and among the public generally, building links between mining communities and many other groups, nationally and internationally.

"They frequently drew in people who had not been active before," it says. "Many local Labour parties galvanised themselves into action in a very new way."

The strike, it concludes, has opened up new possibilities for Labour. It has shown that central politics and the "new realism" advocated by some trade union leaders "are not adequate weapons to take on Thatcherism."

The strike, it says, shows the impossibility of separating extra-parliamentary from parliamentary struggles. "To effect change inside parliament, the Labour movement must begin to think strategically, to anticipate and plan."

Controls on top civil servants rejected

BY SUE CAMERON

THE GOVERNMENT has flatly rejected all the main demands of a Commons committee for tighter controls on top civil servants who take up jobs in the private sector.

Details of the Government's decision were given in a White Paper published yesterday. The White Paper has been released just as the Government is in the middle of a row over Civil Service appointments at the Ministry of Defence.

Last December, Mr Peter Levene, former chairman of United Scientific Holdings, was given a top MOD post. At the same time, it was announced that Sir Frank Cooper, former Permanent Secretary at MOD, was to take over Mr Levene's job as head of United Scientific.

The White Paper is a response to a report published last September by the Commons Treasury and Civil Service Committee. The report, which highlighted the increased number of MOD officials who were taking up private sector jobs in "departmentally-related industries," made a number of recommendations for tightening up the rules governing civil servants who take up outside appointments.

The committee admitted that it had found no evidence of corruption among civil servants who moved to the private sector—such as officials favouring a particular company in the hope that it would offer them jobs when they left Whitehall. Nonetheless, the committee called for a number of changes such as drawing up a new code of conduct for officials moving into the private sector, forcing them

to agree in writing to abide by it, abating the Civil Service pensions of anyone who flouted the rules, and increasing the period that civil servants may be asked to wait before taking up outside jobs from two years to five.

But the White Paper says a firm no to all these recommendations. It stresses the fact that the committee found no evidence of impropriety and adds that the "Government does not find this surprising, given the high standards of integrity in the public service."

Any increase in the period civil servants could be made to wait before taking up outside jobs would inhibit movement between the public and private sectors. The Government was keen to encourage such movement. An increase would also be unfair to individuals, and would be unjustified given the lack of evidence of impropriety.

Last night, a Whitehall press release was at pains to stress that the Government's response "should not be seen as being a negative one." It added that "indeed the majority of the committee's recommendations have been accepted in full or in part."

But perusal of the White Paper shows that the Government has only accepted three recommendations which call for the status quo to be maintained or which amount to only minor administrative changes—such as a suggestion that the Management and Personnel Office should review and report periodically on the workings of the present system.

Acceptance of Outside Appointments by Crown Servants; Cmd 9465; SO; £2.70.

Lawson leaves door open for some radical changes

Peter Riddell on the Chancellor's options

THE BUDGET has left open the central political question about the Government's strategy—whether it remains as radical in practice as the rhetoric of Mrs Thatcher and her allies.

Sceptics have argued that the Budget clearly confirms the end of the radical phase and the dominance of consolidation.

Admittedly, the combination of rising public borrowing (only partly explained by the miners' strike), the turbulence in financial markets, the influence of Conservative backbenchers and lobbying (notably against tax cuts and any major extension of VAT), and the Prime Minister's own beliefs, or prejudices (against changing mortgage tax relief) all severely limited the Chancellor's room for radical action.

Mr Lawson conceded that he was boxed in, and made no secret of his irritation with the blocking pressures against taxing pensions and any major extension of VAT, and the sign of a dynamic society.

Moreover, he went further on his own by apparently ruling out any taxation of pension funds and any further extension of VAT (with the important exception of those cases made necessary by the EEC, such as new construction) before the next election.

Yet not only did Mr Lawson announce some significant changes within his narrow margin—such as the National

Insurance restructuring and the abolition of development land tax, but several more radical options remain open.

In many respects, the Budget appeared to be only part of what Mr Lawson might have liked to announce. Tuesday's message can be seen as only the first instalment of a series of announcements to simplify the tax system and to boost the supply side of the economy now being considered in an unusually extensive exercise in Whitehall co-operation.

For instance, both Lord Young of Grafton, the Minister without Portfolio, and Mr Tom King, the Employment Secretary, had a major input into large sections of the Budget.

Looking ahead, there are several possibilities for further action. First, there is the Green Paper on personal taxation expected this autumn with the promise of legislation in 1987.

Secondly, the disagreement between the Treasury and the Department of Employment over the future of wages councils, on which a consultative process is expected later today, will have to be resolved by the summer recess.

Mr Lawson made it plain that he favours outright abolition of the councils, while Mr King prefers their radical reform, probably via a reduction in numbers and the exclusion of

young people and small companies. The decision is regarded by some of the strongest supporters of Mr Lawson's strategy as the touchstone of the Government's commitment to removing restrictions in the labour market and helping the supply side.

Legislation will probably be required in the next session.

Thirdly, there will be an enterprise package concentrating on measures to stimulate the growth of small companies and removing official regulations currently affecting them. These proposals will be based on the work of a ministerial committee chaired by Lord Young.

The most significant test of the Government's radicalism will concern the social security reviews conducted by Mr Norman Fowler, the Social Security Secretary. A Cabinet committee chaired by the Prime Minister has been meeting for five weeks on the issue and an announcement is expected by early May.

The Treasury is pressing for substantial expenditure savings, while the Department of Health and Social Security favours a redistribution of existing benefits.

The signs are that there will be a major restructuring of supplementary benefit (eliminating many special benefits) and of housing benefit. The pressure to abolish the

state earnings related pension was one reason why Mr Lawson's own radical approach must be maintained on the supply side if jobs are to be created and the growth in unemployment halted before the next election.

Most Tory MPs welcomed the detailed measures in Tuesday's Budget, but many on all sides of the House, in different ways, Mr Lawson had not been bold enough. This explains why, in the words of Mr Francis Pym in the Commons yesterday, the response to the Budget has been "more of muted welcome than positive enthusiasm."

The advocates of additional public capital investment may be a minority on the Tory backbenches at present, though they could gain support if unemployment continues to rise. Mr Roy Hattersley, shadow Foreign Secretary, chose to point out the growing, if at times vague, consensus in favour of such action, embracing the CBI, all the Opposition parties and the Tory dissidents.

However, there is no sign of a shift in strategy so far. Indeed, Mr Lawson and his colleagues regard Tuesday's Budget as similar to the 1981 one in reaffirming the existing approach of fiscal and monetary restraint in the face of considerable difficulties, and of thus creating opportunities for later tax cuts, as in 1982 and 1983.

Spending restraint is also necessary if the fiscal adjustment (tax cuts) is not to be eroded in future years as it has been in this Budget. The Treasury is confident that it has been genuinely cautious this time.

However, the Government will have to be radical, rather than conservative, in its approach to public spending programmes if it is to fulfil the hopes of sizeable 1986 and 1987 Budget tax cuts, on which other ministers and Tory backbenchers are counting.

Some sceptics remain worried about spending control and

about whether North Sea oil revenues will be as buoyant as in the past.

Similarly, on Mr Lawson's own terms, a radical approach must be maintained on the supply side if jobs are to be created and the growth in unemployment halted before the next election.

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'Go-between' will try to break Ulster stalemate

BY OUR BELFAST CORRESPONDENT

MR CHRIS PATTEN, the minister with responsibility for Northern Ireland's local councils, environment, and health and social services, has been appointed "go-between" in an attempt to break the province's party political stalemate.

The appointment follows an announcement by Mr Douglas Hurd, Ulster Secretary, two weeks ago.

Since the Stormont Assembly began in November 1982, the Social Democratic Labour Party and Sinn Féin have boycotted the sessions. The DUP, the Official Unionists, and the Alliance Party have continued to work the assembly.

Mr Patten yesterday rejected any suggestion that his role would be that of a shuttle diplomat.

He said he would be making arrangements to meet the par-

ties in the next few days, talk to them, listen and keep the Secretary of State informed. It was understood Mr Patten's role should not be regarded as a new initiative. Overall policy remains unchanged in Northern Ireland with the search continuing for devolved government acceptable to both the province's communities.

Mr John Hume, SDLP leader, said his party would co-operate fully with Mr Patten. He stressed, however, that the SDLP did not need intermediaries in its contacts with other political parties.

Mr Hume said: "We have given our terms for such talks, which must clearly address the problem. The only question, therefore, is whether there has been any change on the part of Unionist politicians. Are they prepared to take part responsibly in meaningful talks?"

Labour confronts Howe on statement by MEP

BY KEVIN BROWN

LABOUR MPs seized gratefully in the Commons yesterday on a reported admission by a leading Conservative MEP that reform of the EEC Budget and the Common Agricultural Policy was impossible.

Mr John Marton (Lab, Glasgow Cathcart) was the first to try to use the suggestion as a weapon to embarrass the Government, which has always insisted that reform of the EEC is a major goal of British policy.

Mr Marton asked Sir Geoffrey Howe, Foreign Secretary, whether he agreed with the suggestion by Mr Curry, MEP for North-east Scotland, that "we should forget reform of the CAP because it is impossible."

Later, Mr George Foulkes, a front bench Labour spokesman on the EEC, linked Mr Curry's remarks with the appointment of Mr Adam Ferguson, a former MEP, as special adviser to Mr Malcolm Rifkind, the Foreign Office Minister of State.

Mr Foulkes said Mr Ferguson had been appointed to liaise between the Foreign Office and MEPs "to try to stop honest men like Mr Curry being outmanoeuvred by dishonest ones."

Sir Geoffrey said the views attributed to Mr Curry by Labour MPs represented "such a conclusively futile conclusion, that I do not believe it represents the entirety of the wisdom uttered by Mr Curry."

Support for Star Wars attacked

BY KEVIN BROWN

SIR GEOFFREY HOWE, the Foreign Secretary, faced renewed criticism in the Commons yesterday of British support for President Reagan's strategic defence initiative.

Mr Denis Healey, the shadow Foreign Secretary, urged the Government to make a ban on mortuaries on testing, and development of "Star Wars" weapons the main objective of British policy.

Mr David Heathcoat-Amory (Con, Wells) told Sir Geoffrey: "If SDI does not work it will be a gigantic waste of money, and if it does it will simply encourage the development of alternative nuclear weapons systems to which Britain and the rest of Europe are vulnerable."

Sir Geoffrey said the U.S. initiative was a response to extensive research into SDI weapons in the Soviet Union. However, deployment would be a matter for negotiation.

Sir Geoffrey insisted that the aim of the U.S. and the West was not to achieve superiority over the USSR but to maintain balance, taking into account developments in the Soviet Union.

The Star Wars programme was backed by several Conservative backbenchers, including Sir Peter Blaker (Blackpool South), a former Foreign Office Minister of State, who said it was right for Britain to give support since the Soviet Union was known to be engaged in similar research.

Another Conservative, Mr Ian Lloyd (Havant), said the defence of the free world had depended for four decades on the capacity of the West to maintain superior defence technology.

Neither pledge had been kept. In a bland reply for the Government, Lord Elton (Minister of State at the Home Office, read out; a Civil Service brief, which might well have been drafted by Sir Humphrey in the TV series "Yes Minister."

True, he said, the subject was of great importance and attracted much public interest. But finding a solution was far from easy.

He announced that the Government would not be opposing the motion, a gesture which was not as magnanimous as it sounded. Had the motion been put to a vote, it would probably have been approved—much to the embarrassment of the Government.

They followed a classic example of Whitehall from Lord Elton.

"We are not striking a

Common frog under scrutiny

THE GOVERNMENT is monitoring the trade in frogs to ensure that it does not deplete their numbers.

The problem of the vanishing amphibians was raised by Mr David Penhaligon (Lib, Mr. Truro) whose constituents believe they have noticed a decline in the number of frogs.

In a Commons written reply, Mr William Waldegrave, junior Environment Minister, doubted that traders were to blame for the reduction.

He finally lowered the axe when he said the Government was open to ideas. "But any proposal to give a statutory right to access to Government information is unacceptable to us in principle."

Listening intently to all this were the Earl of Stockton, the former Conservative premier Harold Macmillan, and Labour's centrist Lord Stirling. But the most scathing attack on Section 2 was left to that other enigma, the 88-year-old Lord Denning, former Master of the Rolls.

He applauded the acquittal of Mr Clive Ponting on Official Secrets Act charges, and likened it to the case 200 years ago when a jury acquitted Julius of the London Evening Post of seditious libel of the Monarch.

Conservative peer Lord Maude, former Conservative

Shipowners seek 30% saving in port costs

BY RICHARD EVANS

A SAVING in overall port costs of around 30 per cent is being sought by the General Council of British Shipping if proposed changes in marine pilotage take place.

Savings would be particularly high at major ports like London—including Tilbury—Liverpool and Bristol, Mr F. M. Evered, chairman of the GCBS pilotage policy committee, told the Commons Transport Committee yesterday.

"We have got to get a re-

duction in the costs of pilotage and also in the amount of compulsory pilotage," he said, suggesting that 30 to 40 per cent was a reasonable target.

Another witness, Mr W. E. Kirkbride of Furness Withy, said that pilotage costs at Tilbury for a 30,000 tonne ship were £4,600 compared with £1,300 at Le Havre.

The select committee is investigating proposals to alter methods of marine pilotage which would involve redundancies of around 500 pilots.

Official secrets riposte leaves their Lordships out in the cold



Lord Elton: Reply worthy of Yes Minister

WHEN LABOUR MPs indulge their current frenzy over abuses of the Official Secrets Act they conjure up a seamy world of double agents and fixed deals by Government ministers.

In the Lords, where the subject came up yesterday, they take a rather more elevated view of security matters—more John Buchan than John le Carré.

The Liberal-SDP Alliance had put down a motion calling for the repeal of the much criticised "catch-all" Section 2 of the Act and the introduction of a public right to official information. It was the second time the proceedings of the House had been televised live, and the cameras again attracted a big attendance.

Opening for the Liberals, Lord Wigoder emphasised the ludicrously wide scope of Section 2. Anyone who disclosed what type of biscuit a minister has with his coffee or the colour of the carpet in his office ran a technical risk of being prosecuted.

Unfortunately, he had to start with an apology on behalf of

his party. It was, after all, a Liberal Government that introduced the Act in 1911. However, modern Conservative and Labour Governments had even more on their consciences.

Neither pledge had been kept. In a bland reply for the Government, Lord Elton (Minister of State at the Home Office, read out; a Civil Service brief, which might well have been drafted by Sir Humphrey in the TV series "Yes Minister."

True, he said, the subject was of great importance and attracted much public interest. But finding a solution was far from easy.

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They followed a classic example of Whitehall from Lord Elton.

simple balance between the interests of the individual on the one hand, and the interest of the state on the other. Those interests are bound up together.

He finally lowered the axe when he said the Government was open to ideas. "But any proposal to give a statutory right to access to Government information is unacceptable to us in principle."

Listening intently to all this were the Earl of Stockton, the former Conservative premier Harold Macmillan, and Labour's centrist Lord Stirling. But the most scathing attack on Section 2 was left to that other enigma, the 88-year-old Lord Denning, former Master of the Rolls.

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Conservative peer Lord Maude, former Conservative

minister for co-ordinating Government information, favoured a strict code forcing ministers to reveal certain information, but was opposed to any public right to know.

He advanced the rather curious argument that editors, by publishing documents they knew had been obtained by theft or breach of confidence, were only encouraging Governments to be more secretive than ever.

There was an apt reminder from the Labour spokesman Lord Elynn-Jones who recalled the case of that great champion of freedom, Thomas Jefferson, who said that he would choose newspapers without a Government rather than Government without newspapers.

However, once in power, Jefferson was quickly writing memos suggesting that a few prosecutions for seditious libel might have a wholesome effect on journalists who were critical of the sedging American Government.

John Hunt



Lord Denning: Praise for jury in Ponting trial

THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

MENUS are changing for advertisers, as all those with an appetite will have noticed. Once the only "respectable" route to buying advertising services was the table d'hôte way — a full service agency, 15 per cent commission, with the full raft of ancillary marketing skills that come with it, whether the client needed them or not.

But this cosy system is increasingly coming under fire. As the a la carte system continues to gain ground, clients can pick and choose individual services when and where they want them — often on a more economical fee-paying basis, paying specifically for what they want.

It's clients' lib. Under pressure from spiralling advertising costs, advertisers are now forced, some for the first time, to examine the small print of their budgets — to get to grips with the mysteries of media, for a start, a subject frequently bypassed through ignorance or disinterest. Consequently, advertisers are increasingly questioning existing arrangements.

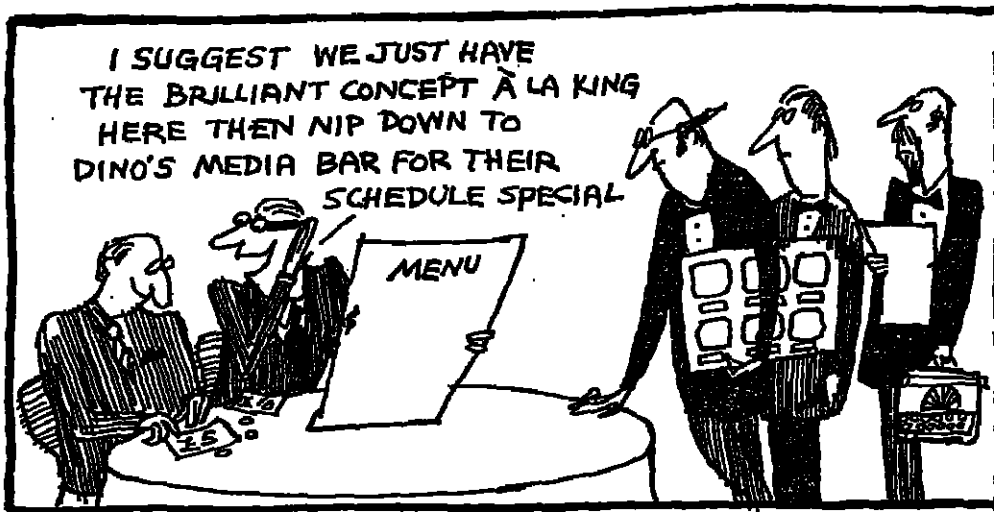
The full service agencies, which see this trend as a diminution of their powers and their income, argue that the best creative work comes from them and with few exceptions it's hard to disagree. But some clients are having it both ways — buying their creative work the full service way and their media elsewhere (eg, Lyons Trolley buys its creative work from Doyle Dane Bernbach and its media from Chris Ingram Associates, which is, in effect, a la carte).

However, the agencies say that breaking down the full service arrangements acts as a disincentive and inhibits any initiative from them on behalf of the client, since each function only sees a fraction of the client's problem.

The choices have certainly never been greater. In the shadow of the great oaks (the full-service agencies) acorns of specialists are growing up, though the labels can be confusing. Media independents, creative consultancies, sales promotion, direct marketers, product developers, media consultancies, marketing advisers — all are facilities that would once have been considered part of the agency domain.

A number of specialists with proven credentials have quit main agencies to go it alone — media directors from Collett Dickinson Pearce, Allen Brady & Marsh, Dorlands, and creative directors from TBWA, Lintas, Leo Burnett.

A major factor in the development of the specialists has been the media independent movement, now in its 15th year, which made it possible for advertisers to buy their airtime



Horses for courses

Feona McEwan explains why full service agencies are experiencing growing competition from specialist independents

and space separately.

Independents argue that they have fewer overheads, and as experts in their field, they claim they can offer superior service and better value for money to their clients. One newish media independent recruit, John Terriss, formerly media director of Dorlands and now with Chris Ingram Associates, put it thus: "On a £1m budget, assuming £100k for creative work, the good buyer could save the client as much as £450k. The client then has the options of returning the savings to his bottom line, investing in other brands or new product development or buying 50 per cent relevant advertising space or time for the same brand. By employing a poor buyer he has no such problem."

By performing efficiently — as they say, they live or fall by their skills — media independents have watched their billings grow (MEAL puts media independent TMD in the top 10 agencies for 1984) and have seen their full service parents, which once denounced the movement, now espouse the cause. Twelve of the top 20 agencies now offer their media department as a separate function.

"More clients are prepared to pay for the bits they are using and not the bits they aren't using," says John Terriss, who coined the "clients' lib" phrase. Gary Luddington, marketing director of Guinness GB, believes that while full service will continue to have its place,

particularly, he suggests, for medium and smaller clients, the specialists will continue growing and making inroads into the full service market. As larger clients become more sophisticated, many with their own well developed marketing functions, and understand their business and their products better, there will be less and less demand, he suggests, for the marketing and client service departments in advertising agencies.

Guinness is a case in point. Before its recent review, the company had defined its own strategy and knew precisely which marketing and brand positioning route it wished to follow. Consequently it was seeking creative solutions only from its agency.

There's a danger, he believes, of the bigger agencies with well-developed client service and marketing departments, losing sight of their principal role: to create advertising.

So what are the attractions of the a la carte system? Bayer UK (press only advertising) and Tomy, the Japanese toy manufacturer (mainly TV advertising) both chose it after having had considerable experience of traditional methods.

Colin Freedman, advertising and promotions manager of Bayer UK explains: "I was disciplined in the days of recession when we had to maximise our budgets (which weren't increasing) and accountants were

tempted to draw a red pencil through the advertising and marketing. So if a sum of money was not keeping pace with inflation we had to look carefully at our media buying."

Full service agencies have their function, he believes, but there is always the risk of losing the rapport with the creative team and the copywriter and if they leave, which they often do, "it's like changing agencies."

Buying media through an independent sees the bulk of commission returned to the client: the independent keeps 3 per cent and 12 per cent is given back. (A full service commission would take the 15 per cent, though these days this is often negotiable.) "I find I can buy a lot of independent creative services with that money and more media because there's more money left over. Also I can control my production costs and negotiate my own rates with the best people," says Freedman.

A major drawback — and it's one many clients don't want to have to cope with — is the extra workload involved in co-ordinating independent services. "Tomy's sales and marketing director, Peter Brown, says he took the a la carte route "out of necessity." Originally linked with a full service agency, Tomy UK found itself, as a small advertiser, receiving a low level of attention and always having to brief people through an account handler; never directly.

ectly. "The commercials put forward were very elaborate and grandiose. It seemed to me we were getting the standard approach with a disproportionate amount of our budget going on television production."

The major benefits, says Brown, lie in dealing directly with the principals of the company and in direct contact with people doing the work, with no third party interpretation. "From my experience account managers protect or defend you from the media people."

The outcome is an advertising strategy, totally in contrast to anything the company had done before. "The media strategy dictated the length and content of the commercials," he says. "Instead of a corporate style of ad with three or four products running in short bursts, we've invested heavily in TVam with one product ads throughout the whole year. Fresh media thinking got us that."

For Braun, a la carte means buying expertise. Marketing director, Bengt Lofquist, says: "When you go to media specialists they are the experts. You buy so many different services from a full service agency it would be very difficult, if not impossible, to get the best in all areas — account handling, creative and media."

Last year, a survey in Marketing magazine suggested that about 80 per cent of agency appointments were made mainly on the strength of perceived creative ability. The result, said the media specialists, is that full service agencies have invested heavily in departments which win and hold the business, not surprisingly these are mainly creative.

"A good media buyer can increase business dramatically," believes Lofquist. Though, of course, there are good and bad buyers in all agencies. After having the a la carte service, Braun now chooses creative and media separately with "excellent performance" results.

Christian Dior tells a similar story. Astrid Sutton, UK advertising and public relations manager, believes clients are only just waking up to the importance of the media function.

"It has been a poor relation but it's now coming into its own," she says. Dior is handled creatively by a full service agency in France with a media independent doing the UK buying. "Though hard to evaluate an absolute terms," she reckons, on retainer costs with a medium sized budget, she is "probably buying in the region of 30 per cent more efficiently than before. We're terribly pleased at the way it's going."

Book publishing

Reading markets right

Alison Coles on Century Publishing's marketing philosophy

IN THREE YEARS Century Publishing has come a long way. From a standing start when it was set up by a group largely comprised of disillusioned refugees from Robert Maxwell's takeover at Macdonald/Futura, the company has grown to £519,000 of pre-tax profits in 1984.

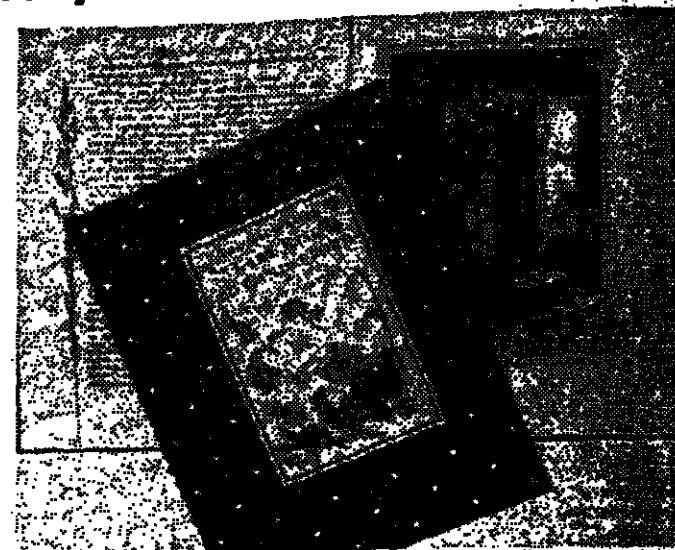
Then, last Friday, came an announcement: the London Weekend Television had agreed to merge its Hutchinson publishing subsidiary with Century for £3m cash and £4m of shares in a new company, Century Hutchinson, giving LWT a 25 per cent stake.

At the heart of Century's growth has been its strong marketing. From the beginning it knew what particular markets it would confine itself to and how it would then sell its products in order to achieve its aim of becoming market leader in each category. The areas it aimed for were health and fitness; middle market romantic fiction; computer books and illustrated books.

Other elements in Century's formula have been collective team work and the shareholding commitment by all employees, a concept which Anthony Cheetham, the managing director, represents as a personal philosophy. Equally part of his philosophy is an all-consuming commitment to the company's expansion. "Weekends and evenings belong to the company — and no less is acceptable. Originally it was seen as a function of the start-up, but now it is an ongoing necessity if we are to reach our targets."

Century opted for particular markets partly because they were what the directors' own experience suggested would be worthwhile but also partly because research into UK best-seller lists pointed to there having been little change in readers' interest areas over 30 years. U.S. lists, which have been going even longer, underline the UK findings.

Virtually all work is commissioned predominantly from unknown and first-time authors. There is a strong disinclination for cheque-book bidding. Century also makes a 15 per cent allowance for uncommissioned manuscripts and for works which satisfy Cheetham's instinct for a market winner, even if these fall outside the company's mainstream categories.



Multiple marketing has led to books like the above spawning stationary and other products

In its short history Century has made two serious mistakes, both because of hasty reprinting rather than editorial misjudgment. Generally, the company is a regular in the best seller lists — a major success has been "The Illustrated Lark Rise to Candleford."

A crucial ancillary part of Century's method of promoting its work is multiple marketing, which means devising as many ways as possible of selling a single product. A good example of this concept is Leslie Kenton's "The Joy of Beauty" which resulted in 12 different items of publication, including a television programme, an "own brand" Marks and Spencer version and an Australian edition.

Following publication, in whatever form, a book will be assessed for how much, or how little it should be promoted. There are four promotional grades. First, where the differential between worst expectations (without promotion) and best and best expectations of sales (with it) is large, maximum effort is brought into play. The second category would qualify for maximum public relations effort, but no advertising support. Third, gratuitous publicity would be sought, but with no great expectations. And fourth no promotion is deemed worthwhile because it would make no difference to eventual sales figures.

Before Century was founded the joint expertise of the group

largely lay in softback houses, among them Futura, Sphere and New English Library. The decision to establish a paperback house with its own paperback arm stemmed from the reasoning that "we have more than one bite at the cherry to get the financial equation right according to Cheetham."

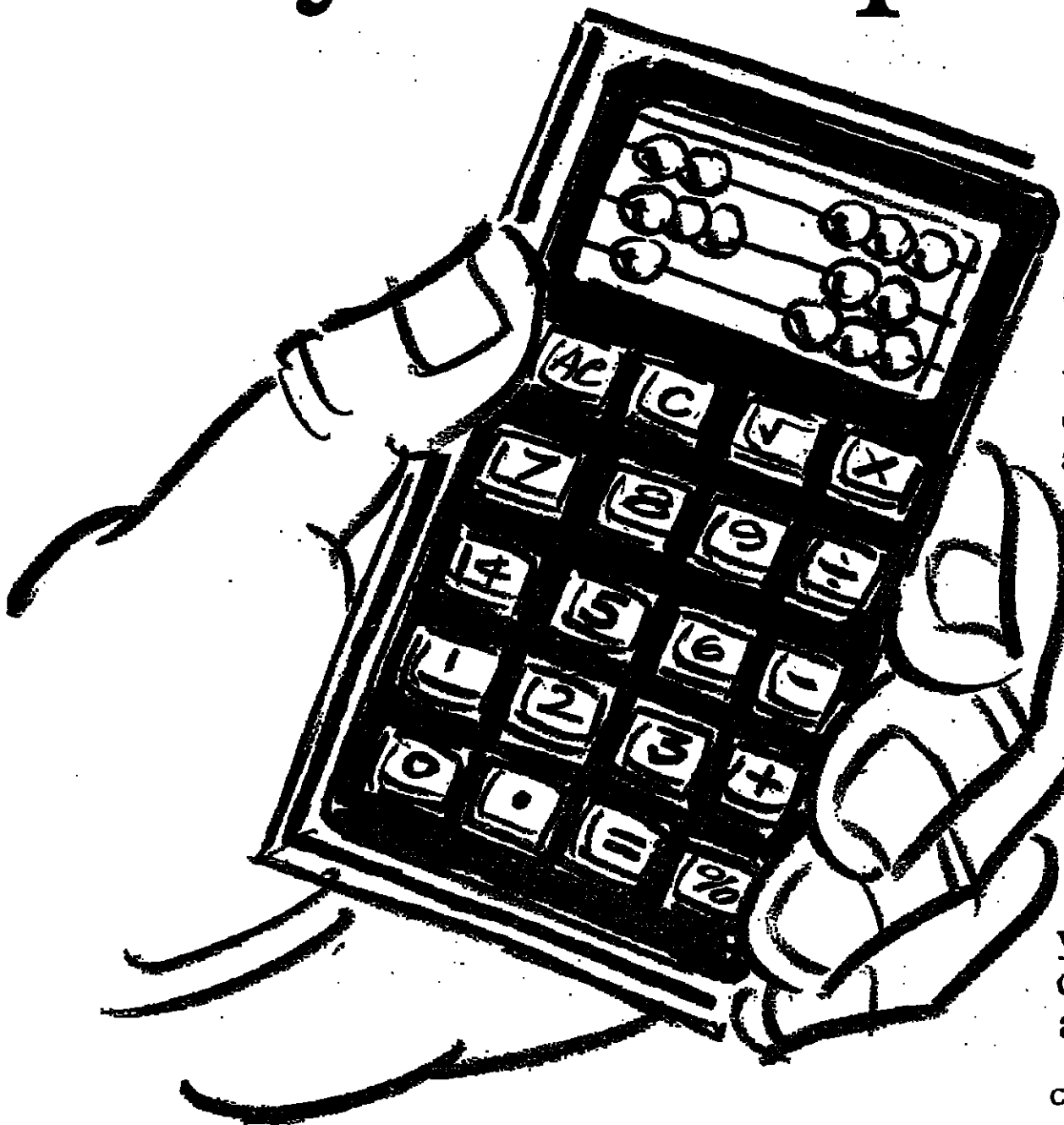
To get the company on the road, Cheetham looked to the City for finance and to a Hong Kong business partner, returning £50,000 to the Venturelink partnership.

Before the Hutchinson deal Century had planned to go to the Unlisted Securities Market. Now, however, the newly created Century Hutchinson will go public in 1986, coinciding with Hutchinson's centenary celebrations.

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TECHNOLOGY

EDITED BY ALAN CANE

DIFFICULTIES INVOLVED IN AGREEING STANDARDS FOR COMMUNICATION BETWEEN COMPUTERS

How industry is setting standards

BY GEOFFREY CHARLISH

BUSINESS ACTIVITY, as we all know, is easily confounded by committees and their meetings. So what hope is there for the rapid finalisation of technical standards in the newly-emerging information technology, particularly in Europe where there are at least 10 bodies involved and untold numbers of committees?

The speed at which these processes take place might come as a shock to those outside the immediate environment. Mr Keith Bartlett, head of the Information Technology Standards Unit at the Department of Trade and Industry, says that "in many cases technical agreement is achieved months, and even years before the standard is formally published."

The conclusion must be that, although international engineering is often able to see its way through to a logical outcome for a standard, the associated bureaucracy is not.

A practical short cut—it is called "Intercept"—is offered by the DTI to those wanting to design equipment and software and bring products to market as soon as possible—without waiting for ratification. Bartlett believes it is often safe to plan on the use of a standard at the international draft proposal stage. So the DTI is trying to identify standards that can be regarded as reasonably mature and stable, even though the full procedures have not been completed.

Mr Bartlett was speaking at the recent Information Technology Standards conference put on in London by Oyez. This provided a useful "snapshot" of the present position, particularly with respect to OSI, or "open standards interconnect," a model put forward by the International Standards Organisation (ISO).

OSI is an attempt to solve the



problem of interworking (not just interconnecting) different types and makes of terminal and computer, regardless of their location. The problem dates from the introduction of public data networks in the mid-1970s, which meant that intercompany and intracompany multi-site data communications suddenly became much more feasible.

Throughout, supplying companies have tried to establish their own standards, intent on making themselves so vendors at each organisation they supplied. Because IBM has most sites, its proprietary technology, SNA (systems network architecture) is by far the most

widely deployed. There may be 20,000 SNA users world-wide.

The other suppliers and their customers have the options of falling in line with SNA, formulating supplier groupings in particular technologies (Ethernet for local area networks for example), or waiting for the European OSI standards to materialise.

It is the waiting that is causing some concern in the industry, although everyone admits that open systems standardisation is bound to be difficult. Work was started in 1977 and it will not be till the end of this year, says the DTI, that a full set of draft proposals will be completed.

The ISO seven layer model breaks the open systems standards framework down into conceptual levels of communications activity. At "lower" levels it deals with the physical means of sending data over lines—essentially volts, amps and bits.

"Higher" levels deal with the "language" of transmission and strictly define how the data is arranged for sending down the line. An analogy is the international language problem. An Englishman with no French will not understand a Frenchman even though the words are composed from the same letters. Yet higher levels deal with format and content of the documents being sent. (Even if one

knew French, would one understand the subject matter?)

Upper layers of ISO-7 deal with the nature of the application itself—continuing the analogy, what are the overall tasks and objectives of the Frenchman and Englishman at the two ends of the line? In information technology this might signify a company talking to its suppliers, or managers talking to each other using personal computers at different sites in the same company—there are many possibilities.

OSI is intended to ensure that, whatever is going on in the seven levels, any terminal, computer or other device can interwork without hindrance.

The burning question is how long manufacturers and users are prepared to wait for European standards to appear. Apart from the DTI Intercept programme in the UK, an additional effort is being made by the EEC Commission to harmonise standards throughout Europe, impelled by the prospect of U.S. dominance via IBM.

In the meantime, IBM continues to enhance SNA with higher level software—DCA (document content architecture) and DIA (document interchange architecture) for example.

IBM network specialist Mr Luke Wilson indicated that interconnection of OSI and SNA will usually be possible with suitable converters, but there may be loss of effectiveness for the terminal user. SNA and OSI, claims Wilson, "are different, but not competitive—and they can co-exist."

OSI, explains Wilson, allows the interworking of systems with the same or different architectures. SNA on the other hand, exists "to provide customers with a coherent architecture that allows them to offer a complete network service to their users."

Consumer

3D TV screen

Mitsubishi Electric Corp. has test-manufactured, apparently for the first time anywhere, a three-dimensional device with a triple-level structure which has been theoretically seen as a next-generation semiconductor chip with multiple functions.

Researchers at Mitsubishi's LSI laboratories said the new device, when commercialised, may find wide applications in high-tech products like resources exploration satellites, image processors for brain surgery and intelligent robots.

The device is made up of three integrated circuits, each with different functions, laid on top of each other on a single silicon chip.

A Mitsubishi spokesman said the technology with which the three-dimensional device was test-manufactured has been put to practical tests with two different double-structure devices.

One is a 256K static random access memory chip which has its logic circuitry in the upper structure and memory circuitry in the lower structure.

Semiconductors

Satellite factory

LITTON INDUSTRIES is to build a \$16m automated parts storage and distribution facility in Puerto Rico that will be run by a satellite link from Santa Clara, California, some 4,000 miles away.

The facility, sited next to an Intel semiconductor plant, will send raw material and finished product data to California. It is part of a pilot project for the worldwide standardisation of Intel chip production and will come on stream in August.

Occupying over 63,000 sq ft, the facility will have multiple aisles and storage racks up to 70 ft tall, allowing space for 16,000 trays of small parts and 5,000 pallet loads of large ones.

Conference

Computer protocols

A ONE day seminar intended to increase awareness of the General Motors Manufacturing Automation Protocol (MAP) will be held at the Sheraton Skyline Hotel, Heathrow on March 26.

Organised jointly by Computer Aided Manufacturing International (0202 670717) and Beale Electronic Systems, the event will feature speakers from the GM Technical Centre, McDonnell Douglas and Dupont.

There will be European reaction from both users and vendors—of interest in view of the fact that MAP is based on the ISO/OSI seven layer model aimed at allowing different makes and types of computers and terminals to work together.

Automated

Food production

MEINCKE BROTHERS, Danish food processing machinery specialists, has developed a fully automated production line for the production of bars which contain a combination of nuts, honey, fruit and cereal. These ingredients are notoriously difficult to handle says the company.

The production line has a mixer fed hopper which delivers the mix to a crunch handling machine which forms a continuous layer of the mixture onto a vibrating roller which compresses the mixture. The carpet of ingredients is then baked in a three heat zone oven and cut into individual bars as it leaves the oven.

The company has installed two lines in the UK and several others are planned. The crunch type bar was introduced by the snack food industry in 1978 and is still growing in popularity.

Mixed blessings

RIBA Services has asked us to point out that their purchase of an AutoCAD computer aided design system, used to compile and distribute drawings of building products for distribution to architects that have CAD systems, is not an endorsement of that product.

PAYROLL AUTOMATION

Wage packet dispenser

ROBOT wages clerks are in vogue these days. A number of companies have installed automated teller machines (ATMs) similar to the automated cash machines built into the walls of bank branches to enable their employees to draw their wages in cash.

Now Inter Innovation, a Swedish company best known in the UK for the high speed cash dispensers used in many National Westminster Bank branches, has developed a computerised wage packet dispenser which handles both coin and notes.

But not without a human operator. The dispenser is based on Inter Innovation's

"Cash Adapter," designed to assist the front office cashier in banks and building societies.

The Adapter takes directions to deliver bank notes from a microcomputer and dispenses the correct amount through a slot.

In the wage dispenser variation, the Adapter is interfaced to a coin dispenser and to a Canon microcomputer. According to Inter Innovation software provides for highly accurate note and coin dispensing so that up to 600 wage packets an hour can be handled.

"By automating the cash handling aspects of wage packet make-up," the company argues, "the equipment

will enable one employee to process wage packets at four to five times the production rate achieved using manual methods."

To operate the system, the operator enters the wage packet amounts and employee references provided on wage slips into the terminal.

The exact amount of notes and coin are dispensed ready for insertion into the wage packet.

The system can be tailored to operate in conjunction with computerised payroll programs so obviating the risk of operator error in the keying in phase. More on 0734 584741.

ALAN CANE

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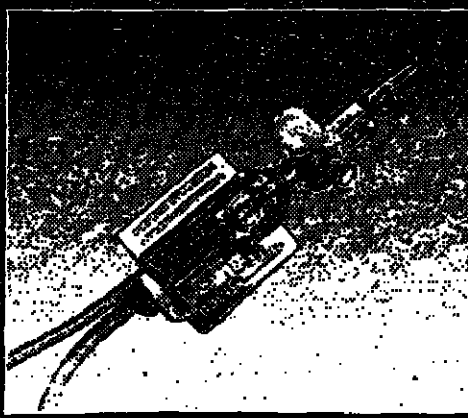
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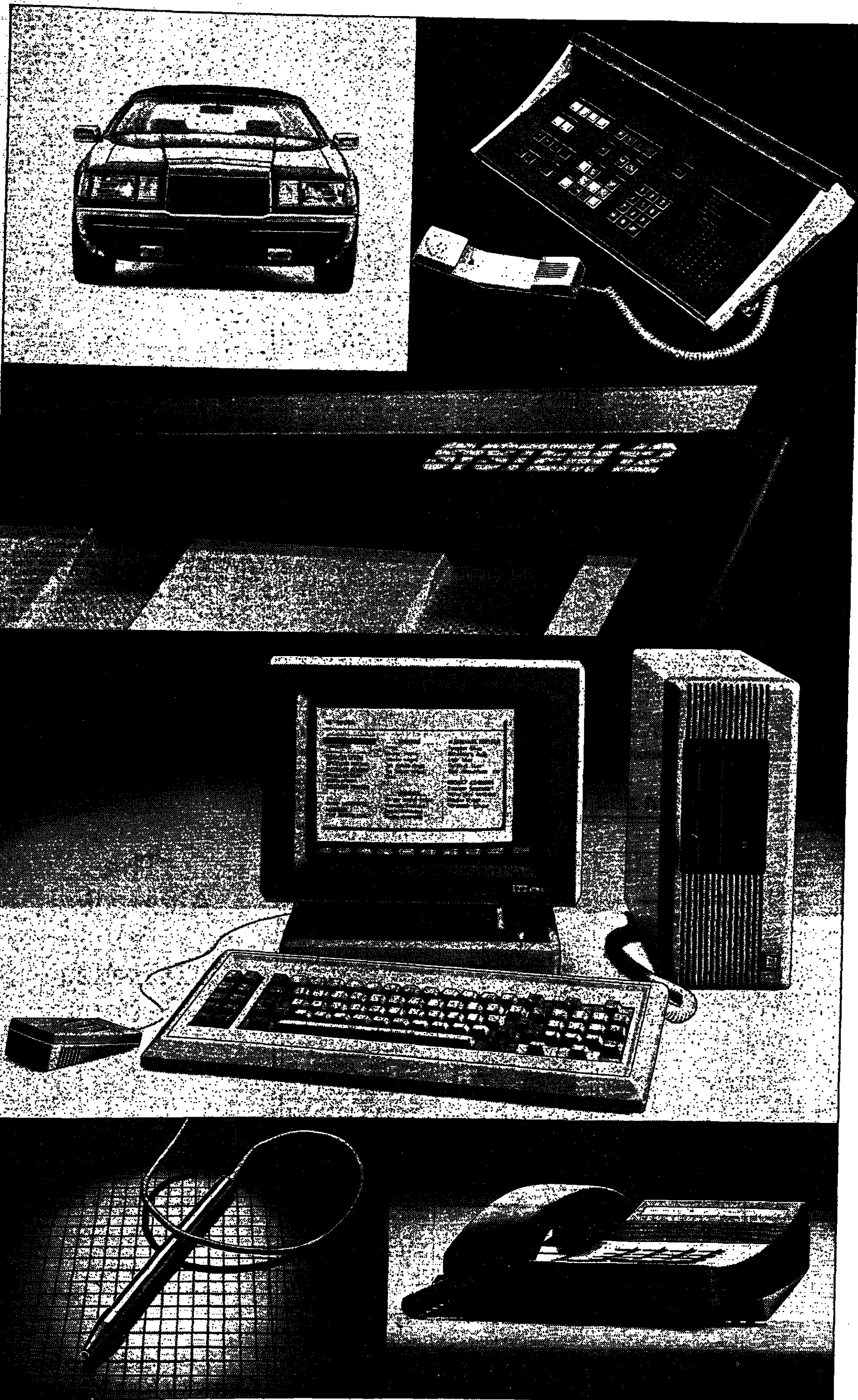
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Thursday March 21 1985

Investing in the Third World

MOST COMPANIES are well aware of the advantages of equity as opposed to bank finance especially when real interest rates keep scaling new peaks. The same cannot be said for the less developed economies of the third world. If even a modest fraction of the huge flow of funds to LDCs in the 1970s had been foreign direct investment (FDI) instead of bank loans, the debt crisis of the 1980s would have been much less severe.

FDI has played a relatively small role in economic development mainly because of the suspicions of host countries. The doubts are epitomised by IBM's current negotiations with the Mexican government. IBM has been boosting the Mexican economy and creating local jobs since 1927 by making typewriters. Yet its attempts to obtain permission to make personal computers in Mexico have so far proved unsuccessful. Mexican officials apparently fear that IBM's project in its present form would damage the prospects for an indigenous personal computer industry.

Many LDCs are keen to obtain the benefits of FDI. They offer various incentives to attract the technology, capital and know-how of foreign investors. These include tax concessions (often generous), direct subsidies and exemptions from tariffs. Yet worried by the prospect of losing control of their own economies, some LDCs also impose a raft of bureaucratic regulations including minimum levels of equity participation for local partners, local employment quotas, local sourcing conditions and ceilings on royalties.

Multinationals

Yet as Professor Balasubramanyam of Lancaster University argued recently in the Kiel Institute's journal, both the incentives and the constraints probably do little to attract investment. Tax concessions only serve to lower LDC's share of the profits of foreign enterprises which will be attracted, if at all, by factors like market size, political stability and

growth potential. Low labour costs are one of LDC's main attractions, so fiscal incentives such as capital allowances which can artificially reduce the cost of capital are perverse: they encourage an existing preference for capital intensive technologies which rarely suit LDCs.

One way LDCs can attract transnational companies is by scrapping import-substituting, protectionist policies. A stagnant home market protected by tariffs and quotas is hardly a magnet for direct investment. But a non-protectionist LDC which offers multinational companies a low-wage base from which to attack world markets has a good chance of attracting foreign equity capital. And it will be the more successful if it eschews the crude, bureaucratic controls. There is some evidence that the cheapest way an LDC can gain access to more developed economies' technology and capital is by welcoming who-owns subsidiaries and giving their managements a free hand.

Reduction of the regulatory burden on foreign investors by itself will not be sufficient. As the International Monetary Fund argued recently, credible macroeconomic policies are also essential: multinationals will not invest if they fear a sudden clamp down on profit repatriations because of a foreign exchange constraint.

Profits stream

Transnational corporations have not always treated host countries or the indigenous workforce with sufficient respect. Yet it remains true that direct investment is not a zero-sum game: the gains to a multinational are automatically a loss to the LDC. Third world countries should overcome their fixation with controlling the profits stream of foreign investors. Much of the future development of the LDCs will depend on the wages and salaries in the host country. The main advantages for LDCs are the transfer of skills and technology and the boost to local economic activity. This does not depend on ownership.

Reshaping UK stock market

THE BIRTH of the London Stock Exchange's new proposals for membership and the constitution has been difficult, but the final result is a reasonable one, even though the plans have still to face the verdict of the membership.

Given that key elements of the plans require 75 per cent approval by members voting at the extraordinary meeting scheduled for June 4, and that there continues to be unrest amongst the rank and file of the membership which has not participated in the lucrative deals with outside institutions, the success of the proposals outlined yesterday cannot be a foregone conclusion. But the full weight of the establishment will be brought to bear.

Intellectually, the Stock Exchange's capital reconstruction plan does not have much to be said for it. There is no very clear case that the beneficiaries of an effective monopoly should be compensated when that monopoly is ended if such compensation is to be a reward for the creation of five saleable shares per member worth in total anything up to a ceiling of £10,000. This is a bribe to persuade members to vote in favour of the plans, or as the Stock Exchange more gently puts it, a payment providing "some compensation for the gradual acquisition of voting power by firms."

In the real world, however, compromises have to be struck. The Stock Exchange Council has been sandwiched between, on the one hand, the demands of its members and, on the other, the insistence of the Bank of England that the terms of entry for new firms should not be unduly costly.

Participation

Elsewhere the proposals have a number of positive aspects. Voting power in the Exchange will shift, after a transitional period, entirely to firms rather than individual members, and will thus match the trend of the market's regulatory systems. Barriers against outside firms, British and foreign, will be largely dismantled. And the compensation fund will be maintained more or less intact, though with some modifications to suit the new conditions in the market.

Other proposals are less attractive. For example, membership examinations are to be

watered down. Although this may be inevitable when participation in the market is being opened up, the risk of a drop in professional standards will need to be carefully monitored. There remains the question of the regulation of conflicts of interest, which will become a still more important issue after October 1986 when the ending of the separation of capacity between brokers and jobbers will create the scope for many new abuses in the London stock market. The Stock Exchange has still to refine its provisional formula of extra disclosure combined with "Chinese walls" between seriously conflicting activities within a single securities firm.

The proposals for reform of the membership and the constitution are intended to reflect the development of the London Stock Exchange from its traditional, protected position in the domestic UK market to a new role as an international centre for securities trading dominated by multinational companies. But a number of further structural questions will need to be addressed before the future shape of the market can be stabilised. Most important, the number of members of more than 50 members will need to be cut down to size, something which appears to be tentatively planned for some time after the "big bang" of October 1986.

Limitation
The council's present size reflects the need to control the representation of large and small firms and to include user representatives as well, so other ways will have to be found of achieving the necessary balances. In future, presumably, the Securities and Investments Board and the Office of Fair Trading will play active roles in monitoring the public interest. But the Stock Exchange itself will have to decide whether it can satisfactorily spread its membership from the biggest international securities firms to the tiniest of country broking firms.

By limiting the voting power of individual big firms to 5 per cent of the total and by proposing capital concessions for small firms (together with the creation of a new category of "inducing firms" which would not need expensive dealing and settlement systems), the Stock Exchange is indicating its intention to remain a broad church. But the leadership's problems with the small firm membership may not end even if the June vote goes the council's way.

TEHRAN does not look like a city at war or in the grip of a violent revolution. Few men in uniform are seen in the crowded streets, shops appear to be well stocked, boutiques offer Western fashions to ladies who in public may wear only Islamic dress, and by night elegant parties still take place in the affluent northern suburbs.

Such conventional normality sits oddly alongside the revolutionary fervour of a regime which is relentlessly pursuing a four-and-a-half-year war with neighbouring Iraq and which preaches Islamic revolution, not just in the Middle East but wherever Moslems are to be found.

If the Western world is confused by the paradoxes of today's Iran, it is probably because it has never before attempted to come to grips with a revolution led by one based on the Shi'ite sect of Islam. The task is made doubly difficult by the dominant personal role of Ayatollah Ruhollah Khomeini, the nation's spiritual leader, and by the absence of a clearly defined power structure.

Iran today is profoundly unrevolutionary in a Western political sense. The unarmed shock troops of the revolution which flooded the streets of the nation's cities in 1978 and 1979 to overthrow the Shah may in many cases have been the young and economically deprived—but their inspiration was provided by men in their sixties and seventies. The chant of "God is Great" was, and is, a far more highly charged rallying cry than social justice or the redistribution of wealth.

Iran's revolution seeks to bring people back to God and to an ideal society which purportedly existed more than 1,000 years ago. The main obstacles to that dream are perceived as the secular governments of both East and West, and especially those which are deemed to have placed the sword of Islam in the hands of the West. The revolution is a cultural and political slavery for so much of its history and which continues to oppress many millions of Moslems throughout the world.

Once that argument is accepted, much of Iran's foreign policy falls into place. The U.S. Embassy in Tehran was not performing diplomatic functions, it was a "nest of spies" perpetuating American colonial occupation, Iraq's invasion in September 1980 was an American and Soviet-backed attempt to snuff out the revolution in its infancy; the Arab monarchies of the Gulf are mere tools of U.S. imperialism; the Soviet invasion of Afghanistan was a bid to spread Communism; hegemony and war. European powers are playing tunes composed in Washington or Moscow.

All these external forces are viewed as the natural enemies of the Islamic Revolution. Iran's clergy never appear to weary of exposing their own highly individualistic interpretations of world conspiracies.

Talking to Iranians in Tehran reveals the fertile ground in which these ideas can take root. Even among those who implacably opposed to the effect of the revolution, there is an enthusiastic appreciation of conspiracy theories.

While they may deplore the excesses of the revolution and the personal excesses of Khomeini, they also betray a sneaking regard for the objective of making

Flare-up in the Gulf war



Iran today: a revolution that knows no borders

Roger Matthews, Middle East Editor, recently in Tehran, reports on the realities of Khomeini's Islamic dream

Iran less dependent on foreign powers. For the true believers in the revolution, the objective is an obsession in no way better expressed than through the overthrow of President Saddam Hussein's regime in Baghdad.

The need for victory in the Gulf war is, however, far more complex than just an expression of national independence. The Shi'ite view of Islam involves not turning the other cheek but striking back twice as hard. The aggressor is bound to be punished for his sins. To accept peace talks with Iraq would be to sit at the table with "war criminals."

Foreign Ministry officials are fond of drawing Second World War parallels and claiming the same rights to invade Iraq as the Allies did to enter Germany. The only conciliation talks they are interested in would involve discussions on the removal of Saddam Hussein. The obscenity with which the Iranian regime prosecutes the Gulf war also highlights the international aspect of the revolution. Khomeini has always made clear that his religious obligation stretches far beyond the borders of Iran to encompass all Moslems. In order to prosper, the revolution has to expand and win better to start than countries with majority Shi'ite populations, notably Iraq and Lebanon.

For many middle-class Iranians, the notion appears absurd and can only bring the

wrath of world powers upon the country. Yet for the clerics, who proved most people wrong by toppling the Shah, nothing is impossible given enough time and an unwavering commitment.

Whether the revolution possesses sufficient of those two qualities is the question which all Middle East leaders would like to be able to answer. Certainly it has proved its

durability. On its sixth birthday last month, the regime had already survived severe domestic political challenges, an external war, a decline in the price of oil, an international arms boycott, serious disruption to its industry and agriculture, and an exodus of many of its best qualified professionals.

Most effective opposition in Iran has been squashed, including, of course, those factions which initially worked closely with the clergy to remove the Shah. Although there is considerable freedom of speech in private, no one actively working against the Government can expect any mercy from men who execute in the name of God rather than in defence of a

political ideal. This message has been duly absorbed by the population, most of whom are anyway quite unused to the idea of popular political participation.

There is also a notable public reluctance to plunge again into the violent disturbances which marked the departure of the Shah and the first years of the revolution. Iran has again achieved a sort of stability and

For the clerics, who proved most people wrong by toppling the Shah, nothing is impossible

for a nation very much attuned to commerce there are fresh opportunities for financial gain with a regime which defends the role of the private sector.

It has been at least partially reassuring for some Iranians to discover the deep conservatism of many senior clerics and the extent of their desire to preserve much of the status quo.

The clergy remain the largest landowners in Iran and their personal stake in the countryside has rendered largely ineffective all attempts at land reform. Although the levels of personal taxation payable to the state will increase, the principle has quickly run up against vested clerical interests in ensuring steady payment of religi-

chief of the British army in Ireland during the troubles, his pedigree is nothing if not colourful: he started his career with the French service of the BBC.

He has made good use of his theatrical connections in recent years, building up Mobil's sponsorship of the arts, an activity which has continued apace in spite of the company's heavy losses in the cut-throat UK petrol market in the last few years. One of his main activities in retirement will be his chairmanship of the Crafts Council.

Retirement will also give him the chance to intensify his passion for horse-racing, which was stimulated by his French grandfather, who owned horses. Few people know, however, that Macready himself dabbled in ownership a couple of years ago, taking a £1,000 share in a £10,000 horse by the name of Peta Bella.

Other business
Budget Day produced an unusual crop of "bad news" stories which might prompt a more suspicious mind than mine to wonder whether the Chancellor's big day was being used to slip in the "nasties" as unobtrusively as possible.

Barker & Dobson, makers of Hacks throat lozenges, surprised the city with news of a 1984 loss.

Barratt Developments, the housebuilder, chose its second consecutive Budget Day to announce a drop in interim profits; while EL, the state-owned vehicles group, revealed an increase in its pre-tax losses.

But devil take the suggestion that Budget Day was a good time to release bad news. "Sheer coincidence," said EL's chief executive, Bill Kenyon, said his timing was earlier than planned because of market speculation. Barratt's finance director, Robert James, said the company had chosen Tuesday so that far-flung executives would not have to travel to London over the weekend.

But Barratt is thinking hard about avoiding Budget Day in future.

Observer

ous and charitable dues. The support provided for the clergy and the revolution from the financially powerful merchants of the bazaar has similarly served to water down proposals aimed at nationalising foreign trade.

The state structure created after the revolution is specifically designed to prevent political ideas challenging the supreme spiritual leader's interpretation of the Koran. Personal influence with Ayatollah Khomeini still counts for more than the individual authority of President, Prime Minister or Parliament.

At each stage of the decision-making process there are checks and balances with Khomeini nominating his own personal representatives to all the important organs of state.

These factors have simultaneously served to create an internal economic inertia which is in sharp contrast to the more determined efforts to instruct the young in the purposes of the revolution. Educational processes at all levels have been transformed, with Islamisation taking precedence over academic excellence.

How much solace this will be to the impoverished masses of south Tehran and the peasants in the countryside will only slowly emerge. Although Khomeini has never promised huge economic gains for the supporters of the revolution, the fact that many of them have taken a significant cut in real wages during the past five years

could eventually be a telling factor.

The sight of up to 1m Iranians cheerfully celebrating the revolution's birthday in February suggests, however, that for some time yet the clergy can rely on the militancy of part of the population and for a supply of young men willing to carry their commitment to the battlefields of the Gulf war. But the sight of thousands more coffins returning from the latest incursion into Iraq will have to be offset eventually by more than exhortations of faith in eventual victory.

Judging by the extensive nightly television coverage of events in Lebanon, Iran's leadership is looking for first major export success at that country. The achievement of the Shi'ite population of the south in forcing an Israeli withdrawal is being waved in the faces of Arab leaders who in the past 30 years have failed to make any progress on the Palestinian issue and who are publicly accused by Tehran of betraying a sacred cause. The more recent campaign to force foreign nationals to leave west Beirut closely reflects Iranian attitudes.

The alarm shown by President Mubarak of Egypt, and King Hussein of Jordan in flying to Baghdad this week in a gesture of support for President Saddam Hussein emphasises how deeply concerned many Arab leaders have become at the growth of religious fundamentalism throughout the Middle East.

More moderate Palestinian leaders on the Israeli-occupied West Bank and Gaza are already acutely aware that an important part of the Arab world's generation is becoming increasingly attracted by the apparent capacity of Islam to challenge established governments. And should economic conditions deteriorate further in Lebanon, which are either dependent on oil revenues or on their indirect association with them, there are few other political philosophies currently available which might appear to answer the frustrations of the masses.

The failure of the Islamic revolution in Tehran would not necessarily eliminate that risk. The longevity of the revolution will assuredly increase if, as some of the Iranian Parliament members confirm, that having taken power they will not lightly relinquish it. To concede power would be to betray Islam and to admit that it did not offer the way forward to all Moslems.

The extent to which the ambitions of the ayatollahs can be confined within the borders of Iran will meanwhile depend, in large part, on what lessons have been drawn elsewhere in the Middle East, but particularly in Washington, from the overthrow of the Shah.

The revolution in Iran is essentially reactive. It is today still far more confident of what it is for. The politicisation of the Shi'ites of Lebanon was similarly reactive. In the case of Iran, the reaction was greatly fuelled by the pervasive American economic and cultural presence. In Lebanon, it has been created by the occupation of Israeli troops. Conclusions should not be hard to draw.

A special team of Financial Times writers has just returned from Iran. Their in-depth reports on the country's economic and social progress will be published as a special survey on Monday, April 1.

Men and Matters

be out before the end of the month.

Bank's first

Another notable first for merchant bankers, N. M. Rothschild: nearly 200 years after it was founded, the bank has appointed a woman, Kat Mortimer, to the main board.

A bishop's daughter, Ms Mortimer, aged 38, was educated at Oxford where, apart from gaining an MA and BPhil, she was a member of a successful University Chess team, and known to cricketers as a deceptive spin bowler.

She worked for the World Bank for three years before joining Lord Rothschild's "think tank," the Central Policy Review Staff established in the Cabinet Office by then Prime Minister, Edward Heath. Under Rothschild's successor, Sir Kenneth Berrill, she worked on the ill-fated report on the Diplomatic Service.

She joined N. M. Rothschild in 1978 as a manager in its asset management division, specialising in macro-economic analysis and consultancy on exchange rates and other international financial issues. She became a director of Rothschild's asset management subsidiary in 1981.

Last year, she transferred to her present job with the corporate finance division. She has worked closely on projects with the governments of Singapore and Papua New Guinea.

As a member of the natural resources group, she is now mainly involved in putting together financial packages for the development of oilfields and mines.

She has a busy life, too, outside Rothschild's. She is a director of the National Bus Company, and a leading mem-



"at least printing all those green papers will create a few jobs I suppose"

ber of both the Institute of Development Studies and the Economic and Social Research Council.

Mobil man

The British oil industry is about to lose its least typical boss. Sir Nevil Macready, managing director of Mobil's UK marketing and refining business, is to retire in June.

Although Macready has spent 32 years with Mobil, he has somehow never quite fitted the Houston-Aberdeen mould which characterises the leadership of most UK offshoots of the big American oil companies.

Great grandson of the actor-manager William Charles Macready, to whom Dickens dedicated Nicholas Nickleby, and grandson of the commander-in-

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ECONOMIC VIEWPOINT: UK BUDGET

More interesting than it looks

By Samuel Brittan

Lombard Forgotten ideal of weaponless space

By Nicholas Colchester

THE BUDGET makes a much bigger stride than generally realised to pricing unskilled and younger workers into jobs. The employees, instead of starting to pay National Insurance contributions of the full rate of 9 per cent at £33.50, will from October start off at only 5 per cent. The employer will have an even greater starting reduction from 10.45 per cent to 5 per cent, the high figure not being reached until £150 per week.

If, on top of this is added higher tax thresholds and the changes in unfair dismissal procedures, there is now a much stronger incentive for workers to seek less congenial jobs rather than remain on the dole and also for employers to hire them.

In some ways it is a left-of-centre Budget, as the changes are paid for in part by abolishing the upper earnings limit on employers' contributions. Employers of more skilled workers could absorb these costs by foregoing one pay round, which would be very sensible except where they face genuine skill shortages, as they now do in important pockets of the economy.

The thrust of the Budget is clearly directed towards the secondary labour market, for people excluded from the better paid corporate sector, but who are now to be encouraged to take "low pay" rather than "no pay".

For, while one is on specifics, should one understand the near doubling to 230,000 of the Community Programme. This makes a further stage in recognising that useful work on low pay is better than the dole and that the net cost of such a scheme is much less than the gross.

If voluntary bodies take up quickly the promised funds, they would have a strong claim to a further tranche. The social gain would be increased further and the net cost reduced if the provisions against undercutting union rates and the consequent emphasis on part-time work were eroded.

Emphasis on jobs at low pay is quite consistent with generous treatment of the unemployed. The issue here is the streamlining and rationalising of schemes such as the Family Insurance Supplement to households of all sizes where there is an income deficiency. This whole package will, how-

ever, be seriously incomplete if Mr. Tom King, the Employment Minister, sets away with following the advice of his civil servants and merely reforming rather than abolishing the Wages Councils which—in contradiction to the whole government strategy—fix minimum wages for 2m to 3m workers in "sweated trades".

Psychology is, as always, all important. Even if "reform" could arithmetically achieve most of the gains of abolition, only the latter would have a decisive impact in signalling that cheap labour (when the alternative is the dole) is no longer a stigma.

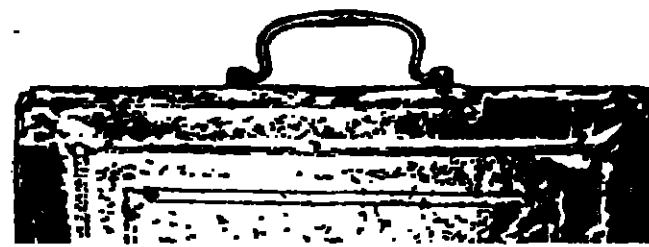
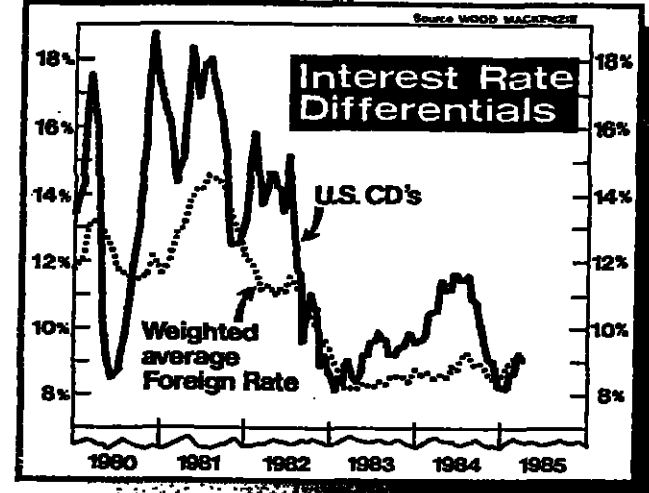
This is an issue on which the Prime Minister's attitude could be decisive; and if she turns away at this fence, she will be written off by market economists, who are already very browned off by her inflexibility on mortgage interest relief and many other special interest group measures.

"But supposing we did what the Chancellor told us and settled for lower pay increases, would not people have much less money to spend and demand fall, thus undoing any good for jobs?"

The major achievement of the Budget speech may in the end turn out to be that Nigel Lawson, one of the most put this fear to rest. The following key sentence from the speech deserves to be rescued from the hectic scramble of instant Budget night reaction.

"A policy for demand expressed unambiguously in terms of money provides a further important advantage. For it ensures that wage restraint will provide more jobs. I repeat today the undertaking I gave the National Economic Development Council last month: the Medium-Term Financial Strategy is as firm a guarantee against inadequate money demand as it is against excessive money demand."

I hope the Chancellor will deliver a speech, circulated well in advance for the benefit of those who do not wish to know, spelling out these words. The Financial Statement (Red Book), which is not always read by those who pontificate on the MTF, spells out clearly that the monetary targets are derived from a view of the appropriate path for nominal demand



6 There is nothing sacrosanct about the precise mix of monetary and fiscal policies required to meet the objectives of the Medium Term Financial Strategy 9

NIGEL LAWSON BUDGET SPEECH 1985

or Money GDP—8½ per cent this year or 7 per cent after allowing for post-miners' strike catch-up—falling very gradually in the years ahead to 5 per cent in 1988-89.

It is thus clear that technical monetarism, pressing on with money supply targets regardless—takes a back seat; and that if money demand is inadequate—whether due to wage restraint or unexpected shifts in the financial system—the targets will give. Indeed a much tougher sentence in Par. 2.05 of the Red Book explicitly downgrades the broad monetary aggregates—Sterling M3, in-

Because the MTFs has been gradually evolving in this direction over the last five years, the full import of the new wording is not apparent even to everyone in the Treasury. But this is the first time the Chancellor has "come out" with the new post-monetarist approach in relatively unambiguous terms.

There is still left an important argument about whether the official demand objectives are too stringent, as the SDP would presumably argue, or too loose as the zero inflation brigade suggest, or as near correct as to be not worth arguing about, which is probably close to the truth.

The much more important issue remains to improve the breakdown of a 7 to 8 per cent demand growth between real growth and inflation. A wide variety of moves, from eliminating legal union immunities to profit-sharing and workers' co-operatives, would help here (and still hanker for an emergency tax on pay increases).

Interestingly enough, City economists who focus on financial measures have been saying that policy has been tightened. Clearly the Government's objectives imply a rise in velocity. But the most likely circumstances in which that rise may not occur would be associated with a strengthening of sterling. In that case, interest rates would surely be cut and the monetary aggregates massaged or overridden.

The Government's key financial weapons are short-term interest rates, the PSBR and funding policy (the latter partly cosmetic). It would be neater and simpler to say that they are monitored entirely for their effects on nominal demand; but there is, inevitably in present circumstances, if not an exchange rate target, an informal range of tolerance expressed in terms of the trade-weighted index and the rate against the EMS rather than the headline rate against the dollar.

This informal semi-target is about right. For it recognises that, beyond a certain threshold, sterling depreciation would boost prices and aggravate inflationary psychology, thus imparting an upward boost to nominal GDP concentrated on its inflationary component.

The position of the threshold depends on factors such as commodity and oil prices, and importers' and exporters' profit margins. Thus anything like a fixed target would be inappropriate for economic as well as market management reasons.

Nevertheless, as a matter of prediction rather than advocacy I would give odds of 3 to 2 in favour of the UK joining the EMS before the next election, which would transfer many of the problems of financial strategy to the European dimension—that is the TEE train to Frankfurt.

The most interesting single

sentence of the Budget speech is the hint that the precise mix of monetary and fiscal policies in the MTFs is open to further argument once sterling is in calmer waters.

The argument has been put forward (for instance in Economic Viewpoint on March 14) that in conditions of confidence, as in the U.S. today, a relatively high Budget deficit, offset by tight money, will pull in funds and actually strengthen the currency. It is the mirror image of the argument that a lower U.S. Budget deficit would help the dollar down to more normal levels.

A change in the policy mix may also appeal on more political grounds. A government approaching an election may want to make "supply side" tax cuts even at the expense of the PSBR, so long as any inflationary effects can be offset by tight money.

It is also now clear that any hope that the UK could unilaterally achieve low real interest rates by means of fiscal stringencies was misguided. Real interest rates are determined at a world level to which a national premium or discount may be added in the light of currency fears and prospects.

Unfortunately, the worst enemies of any change in the policy mix are some of its foremost advocates. For many of the latter do not want to offset Government borrowing by tight money at all, and would really like a faster growth of nominal demand. This is a legitimate viewpoint but should be argued directly and not by subterfuge.

Allied to the intellectual double talk is the practical central banking consideration that, in most European countries, except Germany and Switzerland, budget deficits tend to be monetised unless central banks make special efforts to the contrary. Thus "God protect me from my friends" is a good motto for those who would like a slight move towards Reaganomics in Europe.

Obviously, a change in either the policy mix or the policy aim would be easier to achieve if European governments move in harmony, irrespective of whether Britain is inside or outside the EMS. There should thus be plenty to discuss when the EEC Finance Ministers meet in Palermo after Easter.

THE WORDS "the demilitarisation of space" have, sad to say, already become deeply suspect in the Western vernacular of arms control. To pose questions about the U.S. Strategic Defence Initiative is bad enough, as Sir Geoffrey Howe, the British Foreign Secretary, discovered last week. He wondered aloud about the chance of the U.S. building a Maginot line in space and was immediately accused of appeasement (of all things). Mere doubts about "Star Wars" already call one's Nato virility into question. But to ask whether orbital space might still be kept free of offensive weapons is to risk being accused of pro-Soviet soft-headedness.

So here goes. It is still too late to sign a conventional limiting orbital space to passive communication or surveillance satellites and severely restricting the testing and deployment of weapons to destroy such satellites. Such a convention would preserve the relative invulnerability of the command and control systems of both superpowers. It would thus be a formidable confidence building measure, and would promise immense savings in military expenditure over the next century. It is an ideal just as noble as the Star Wars ideal but in total contradiction to it, for while SDI hopes to use orbiting weaponry to keep nuclear peace, this convention would aim to keep all weapons out of orbit.

It is true that first the Soviet Union and more recently the U.S. have been developing weapons to shoot down satellites. Since 1968 the Russians have deployed a sort of space mine which is launched into an orbit close to that of the victim satellite, and which explodes in a hail of pellets when sufficiently close. The Americans are still developing an air-to-space missile. This is launched from an F-15 fighter and homes with remarkable accuracy on its target satellite to destroy it by direct impact.

Yet neither development means that an orbital weapons convention is beyond hope. Both systems threaten only satellites in low orbit, between 150 km and 2,000 km above the earth. Such low orbit satellites are the satellite equivalent of reconnaissance aircraft; all the

U.S. early warning, communications and navigation satellites are in high or geosynchronous orbits of 20,000 km or more and are not remotely threatened by the existing Russian anti-satellite system. In fact a much higher proportion of vital Soviet satellites are in vulnerable orbits than are their more sophisticated U.S. counterparts.

There are thus two possible ways forward. The first, which is currently advocated by the French, is a ban on the testing or deployment of weapons against high-orbit satellites. The second, on which the Soviet Union has tabled a draft treaty at the UN, is a total ban on the testing or deployment of all satellite weapons. The slow and inflexibility of the present Russian anti-satellite weapon may well make this less of an act of American self-denial than would appear at first sight. Both approaches have the advantage of all further development being verifiable—it is very difficult to conceal the testing or deployment of anti-satellite weapons.

Sir Geoffrey Howe's recent speech included a call for another attempt to preserve the invulnerability of satellites. It was a much-needed reminder at a time when the tide of the arms control debate is moving strongly in the other direction. The discussion of Star Wars is all in terms of its credibility as an alternative to the uneasy peace of mutually assured destruction, of its cost and of its possible impact upon arms control talks, the cohesion of the Nato alliance, and the superpower relationship. What has got lost in this argument is the more basic ideal of preventing the arrival of offensive weapons in orbital space before it is too late to do so.

Must the two ideals—that of weaponless space and that of the ultimate peace-keeping weapon in space—remain mutually exclusive? Not necessarily. Research into lasers, particle beam weapons, "rubber mirrors" and the other wonders of SDI can continue on earth. But the pursuit of the SDI dream, with all its attendant uncertainties, must not be allowed to supplant the other ideal, which could be assembled tomorrow and held in place for as long as both sides agree to continue with it.

Rewards for work done

From Mr E. Foxhantley
Sir—The review (March 9) by Michael Prowse of "Sterling: its use and misuse, a plea for moderation," contains two statements which indicate a state of mind so far removed from the practical realities of life that one wonders why he is reviewing a book on economics in a newspaper of such standing. His sentence: "But it seems contrary to social justice that the hardworking surgeon should receive so much more than the equally industrious car-worker" reveals that he has not the faintest idea of the demands and responsibilities of being a hardworking surgeon. The mental and physical demands of the two occupations bear absolutely no comparison. If he is admitted to hospital and has surgery carried out by someone from the assembly line at Longbridge it would probably sharpen his perception quite noticeably. At the end of the last paragraph of the review he describes as an absurdity the "natural" rate of unemployment. In a population of 56m there will always be a number who, for valid reasons, will be unemployed simply because quite a number of people are practically unemployable. It is by no means an insignificant proportion of the populace and a state

Letters to the Editor

of full employment is therefore inefficient and unstable. It is beneficial to society as a whole that there should be a natural rate of unemployment which, in some respects, is a measure of the competition within the economy. It is certainly true that there are some surgeons who are overpaid and would be better employed as car-workers, just as some car-workers would be better employed as book

E. T. Foxhantley,
Miles Lane, Cobham, Surrey.

Legitimate local spending
From Mr D. Franklin

Sir—You are an excellent leader "The case for local democracy" (March 13) and Mr Hollway's letter pinpointed the problem of "legitimate discretionary spending" by councils which had been elected by voters "who don't have to pay the costs themselves". Only 13m voters out of 31m pay rates. Council tenants make rent and rate payments in

one go and when this is not collected, as in Lambeth where the rent debt is now over £12m, it places an increased burden on a decreasing number of payers including businesses which have no vote.

Rate capping may stop some councils from the more lunatic types of expenditure but only a local income tax paid by all voters will make them aware how their rates are spent and only then will real accountability and democracy begin.

D. G. Franklin,
121, Kensington Road, SE1

A laundry at La Hague
From Le Chef du Service des Relations Publiques, Compagnie Générale des Matières Nucleaires

Sir—David Marsh's report on Mox fuel (February 20) was both well documented and accurate, but we were surprised at the headline which improperly qualified Japanese plutonium as French. La Hague plant takes in

irradiated fuel belonging to power utilities which are customers of Cogema (Japanese power utilities in this instance), proceeds with separating out uranium, plutonium and fission products, and returns these components in their entirety to their owners. At no time is Cogema the owner of the re-processed materials.

To illustrate the role played by our plant in La Hague, Mr Chevenement, when he was French Minister for Industry, described it as a "laundry": it takes in dirty fuel, cleans it and gives it back to its owner. At a time when non-proliferation problems are the subject of close study throughout the world, you will understand that we could not agree to a newspaper giving the impression, through wrong headline, that France is exporting plutonium.

J. Vastel,
2, rue Paul-Dautier BP4,
78141 Velizy-Villacoublay Cedex, France.

Moving the closure
From Mr E. Bateman

Sir—As a Lombard shareholder I beg to move the closure of the Monopolies and Mergers Commission. E. Hugh Bateman,
2 Howard Lodge,
Mount Ston,
Tunbridge Wells, Kent.

Significance of abolishing British National Oil Corporation

From the Director, Oxford Institute for Energy Studies

Sir—The decision to abolish British National Oil Corporation has greater significance than any commentator, so far, has cared to admit. The Government has done much more than getting rid of an institution which it had previously weakened and emasculated. In effect it has abdicated its responsibilities for the pricing of North Sea oil.

These moves may be consistent with the tenets of a simplistic free-market ideology; they betray, however, a lack of understanding of the economics of oil, and of the UK economic interest in oil.

The price of oil involves a huge rental element which is appropriated for the most part by the Exchequer in various taxes. Yet this rent could disappear, in part or as a whole, if the determination of oil prices was left to the free operation of strongly competitive market forces. The enormous supply overhang which casts its shadow today on the world petroleum market is working relentlessly to that effect.

There is a clear interest for every oil exporting country to defend this rent if it can.

Otherwise the rent will be appropriated by the Governments of oil importing countries (not by consumers like you and me as Mr David Howell wants us to believe), and, in part perhaps, by oil companies. The UK is a large net exporter of oil. Despite official statements to the contrary, the UK has considerable influence on world oil. Producers' Governments have a duty to protect their oil income with all means at their disposal. They are not in the business of handing huge gifts in the form of rent transfers to importing countries through a misguided belief in the virtues of free market forces.

In order to exercise an influence a Government needs a cool head, a policy and means of intervention. The Government has allowed itself to be swayed by such arguments as "We should not help the Organisation of Petroleum Exporting Countries" or "A lower oil price will stimulate the U.S. economy and the UK will reap later on the benefits of higher U.S. imports."

The first argument is emotive. The UK is not being asked to help Opec but to look after its own self-interest which may, at times, coincide with that of other oil exporting countries.

The second argument is unconvincing. Lower oil prices may or may not stimulate the U.S. economy (much depends on U.S. economic policy). Even if they do the benefits of export growth may well go to Japan, the newly industrialised, and other countries rather than the UK.

The UK needs a policy on oil. We have been deprived of a depletion policy thanks to the Varley assurance later extended by Mr Lawson. We have been deprived of the possibility of having a pricing policy by the abolition of a BNOC "term" price. We have been deprived of a proper national oil company, a necessary instrument for counsel, information and intervention, when BNOC was condemned to die on the day of Britain's privatisation.

A Government aware of the national stakes in oil would have acted differently. It would have explained to backbenchers the issues involved instead of submitting empty, if not frivolous, minutes to the select committee. It would have reclaimed the power to regulate production which Varley surrendered so easily. It would have transformed BNOC into a small, semi-integrated, efficient national oil corporation with upstream interests,

some foreign investments and a proper trading capability. Long ago, it would have reformed the oil taxation Act in order to avoid the destabilising "spinning" of oil on the spot market by integrated companies.

The Government has taken the soft option. Ministers are congratulating themselves because there was no immediate reaction from either the market or Opec. The market need not react suddenly. It will adjust in time to a situation in which the UK Government is not an actor. By abdicating its role the Government has extended that area of the world petroleum market where competitive forces work on their own. Now that one of the few remaining institutional pegs has been removed we can be certain that the next oil price crisis will be that much more severe. The costs will be borne by all exporting countries, including the UK.

Opec has remained silent because there is not much to say to a fellow player who has suddenly decided to quit the game. Its silence indicates neither approval nor indifference. It just finds it impossible to comprehend a stance which so blatantly fails to make sense. Robert Mabro,
29 New Inn Hall Street, Oxford.

It's doubtful whether the first upside down flight by an aeroplane in 1911 was anything more than accidental. And did Mobil really take the Wright Brothers seriously when supplying lubricants for their attempts at powered flight? A decade later, we had no such doubts when helping to keep the Royal Flying Corps airborne.

Mobil still takes flying seriously. That's why we give our airline customers SOAP. Spectrographic Oil Analysis Programme is Mobil's service for regularly scrutinising samples of aircraft lubricants to detect signs of wear or to determine when a major overhaul is needed. Similar services are available for marine and truck engines.

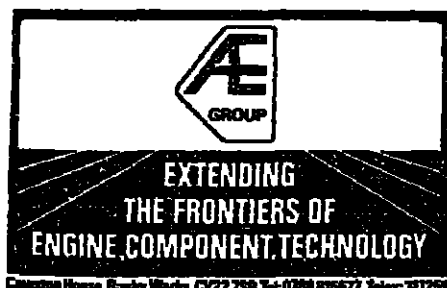
With the threat of heavy repair bills and the need for the highest standards of safety and reliability, such attention to detail is essential. So even if your plane does loop the loop, there's no need to get into a lather.

Mobil



SECTION II - INTERNATIONAL COMPANIES FINANCIAL TIMES

Thursday March 21 1985



Triangle to buy NVF's National Can stake

By William Hall in New York

MR VICTOR POSNER, the Miami financier who has been stalking National Can, the third biggest can-maker in the U.S., for five years, has agreed to sell his 36 per cent stake to Triangle Industries, a small New Jersey-based industrial conglomerate, which began a \$418m bid for National Can yesterday.

NVF, which is controlled by Mr Posner, has agreed to tender its 3.6m National Can shares to Triangle but has retained the right to tender the shares to a third party if a higher offer is made. Under the terms of the agreement, NVF has agreed to pay Triangle up to \$1.50 a share of the excess of the price in any offer over \$41 a share made by another party. Triangle's offer is for \$41 a share.

Last week, Mr Posner's Evans Products filed for protection under Chapter 11 of the U.S. bankruptcy code and there have been widespread reports that some of the other companies in his sprawling empire are facing financial difficulty. As a result, there had been mounting speculation that he was preparing to withdraw from the National Can chase.

Meanwhile, Mr Carl Icahn, the Wall Street financier who has made a profit of close to \$100m after a hostile raid on Phillips Petroleum last month, has bought 9.1 per cent of National Can, and appears destined to play a key role in National Can's battle for survival.

In a filing with the U.S. Securities and Exchange Commission, Mr Icahn said the National Can shares had been bought as an arbitrage position. He had considered making a tender offer but has no present intention of doing so.

Triangle Industries, which has a stock market capitalisation of \$44m, is a minority-owned company of National Can, which earned \$43.1m on sales of \$1.9bn in 1984. National Can shares rose 9 1/2 to \$41 1/2 in early trading yesterday.

PRICE CUTS AND FLAGGING SALES

IBM leaves the PC market guessing

BY LOUISE KEHOE IN SAN FRANCISCO

IBM HAS signalled a new round in the personal computer markets battle by beating a hasty retreat from the home computer segment. Competitors and customers were surprised and confused by IBM's sudden decision to end manufacturing of the PC Jr home computer next month.

Competitors, while not mourning IBM's apparent defeat in the market, were unsure whether to celebrate or fear the aftermath of the big company's decision.

The immediate effect might be to give a much needed boost to Apple Computer, IBM's chief competitor. Apple declined to comment on the IBM move, but the company is keenly aware that competition from the PC Jr has caused many of the current hardships that have forced it to shut its factories for a week.

The PC Jr represented 3 to 4 per cent of U.S. retail sales for personal computers until last September but rocketed to 17 per cent of the market in December when IBM reduced the price of the computer. According to InfoCorp, of Cupertino, California, a market research organisation, PC Jr sales grew largely at the expense of the Apple II.

The PC Jr was introduced in November 1983 at a price of over \$1,600 but the much heralded "Peanut" was quickly recognised as a re-



sounding flop. It took massive price cuts, dealer rebates, a multi-million-dollar advertising budget, a redesigned keyboard and a direct mail campaign to 20m U.S. households to rescue the product. IBM sold about 265,000 PC Jrs last year but its profits on the home computer were marginal. By Christmas 1984, the home computer was selling for under \$800 - less than half its original price. Competitors complained that IBM was selling

lieve IBM still holds in stock. A "fire sale" of the units might cause further disruption, delaying any advantage that Apple Computer might feel from the withdrawal of products and affecting sales of other home computers such as those offered by Commodore International.

There are also industry rumours of a new IBM home computer. Mr Norm de Witt, a personal-computer industry analyst at DataQuest in San Jose, California, predicts that IBM will launch a \$800 to \$900 home computer in time for Christmas.

Other analysts expect IBM to reduce the price of its standard IBM PC, which currently sells for about \$2,800. The demise of the PC Jr may be closely connected with the widely rumoured introduction of a new IBM personal computer, known as the PC-2, expected in April or May. Yet another theory links the withdrawal of the PC Jr to the April introduction of an IBM portable personal computer.

The decision to discontinue the PC Jr is also widely seen as another step in IBM's efforts to rein in its maverick entry level systems division, which produces personal computers. After the recent reorganisation of the division, which lost control of personal computer sales, Mr

Philip Estridge, president of the entry level systems division, was reassigned to a corporate staff position last week.

Although Mr Estridge received much of the credit for creating IBM's \$55m personal computer business, he was also held responsible for the troubles surrounding the PC Jr and supply difficulties that have severely curtailed sales of IBM's latest "PC AT". IBM's corporate management has reportedly been highly embarrassed by the widespread publicity surrounding the PC Jr. Industry analysts also believe that the personal computer division has built up an unacceptably high \$1.6bn worth of parts inventory because of the difficulties of predicting personal computer sales strengths.

Although IBM's withdrawal from the home computer market highlights the same difficult market conditions that have caused Apple Computer's current hardships, IBM's ability to withdraw the PC Jr without any anticipated financial impact on the company clearly demonstrates IBM's superior strength. Apple Computer cannot afford such failures. Last year, Apple earned well over half of its profits from sales of the Apple II, which directly competed with IBM's PC Jr.

BankAmerica debt ratings cut by Standard & Poor's

BY OUR FINANCIAL STAFF

STANDARD & POOR'S U.S. credit rating agency, yesterday lowered its ratings for BankAmerica debt because of falling earnings at the West Coast bank holding company.

S & P said the rating changes reflected "the decline in the company's earnings and profitability over the past few years due to large loan loss provisions and a high level of non-interest expenses."

It added: "BankAmerica has internally generated capital at a low level during a period when increased capital demands are being made by regulators."

New ratings are: senior debt - single-A-plus (double-A-minus); subordinated debt - single-A (single-A-plus); preferred stock - single-A-minus (single-A).

First City Bancorporation of Texas, a Houston-based multi-bank holding company, disclosed that internal controls and lending policies

at three of its largest banks were deemed inadequate by banking regulators.

First City, one of the state's biggest energy lenders, said in a one-paragraph footnote in its annual report that the U.S. Comptroller of the Currency took disciplinary action against two of its member banks to ensure proper recognition of problem loans and maintenance of adequate loan-loss reserves. The Federal Reserve Board took action against the third bank.

The three banks are First City National Bank of Houston, First City Bank of Dallas and First City National Bank of Midland, Texas.

The regulators' action is likely to affect First City's bond ratings, according to Mr Frank Anderson, a banking analyst with Weber, Shand, Hall & Associates of Dallas. Other Texas energy lenders whose loan portfolios have deteriorated in the recent drilling slump have had similar problems with regulators.

Komatsu U.S. plant set to open next year

BY OUR FINANCIAL STAFF

KOMATSU, the Japanese earthmoving equipment manufacturer, expects to begin production as early as spring next year at its new plant in Chattanooga, Tennessee.

The Japanese group said last month that it was "in the final stages of negotiating purchase of the factory, for which it has now signed a \$3.5m contract. Start of production will make Komatsu the first Japanese concern to produce construction machinery in the U.S."

Komatsu said yesterday that initial plans called for the "machining of certain parts and the assembly of certain products." Operations would then be expanded to cover construction and industrial machinery. If production grows as planned,

the new plant should generate at least 250 jobs and annual sales of about \$160m by 1988. Cumulative investment in equipment for the plant will reach about \$18m by that year.

Komatsu said it had not completed arrangements for financing the plant, but it was optimistic that everything would be resolved in a few months.

The company said production in the U.S. would provide a direct line to customers and help shorten delivery time of machinery and parts to more than 70 U.S. distributors. Komatsu has been locked in a fierce sales battle with Caterpillar Tractor, the world's largest construction machinery group.

Mexican oil earnings hit record level

BY DAVID GARDNER IN MEXICO CITY

MEXICO, the world's fourth largest oil producer and second biggest foreign debtor, has for the first time in a decade announced a fall in its proven oil reserves.

Though the drop is only small - from 72.5bn barrels to 71.75bn barrels - Pemex, the state oil monopoly, warns that more than two so-called "glam" fields would have to be discovered each year in order to keep pace with current rates of depletion.

Pemex has also announced re-

cord net earnings of 945bn pesos (\$5.25bn at 1984 average exchange rates) on sales of P3,700bn. Last year, Pemex earned P803bn on sales of just under P2,500bn. Foreign sales were \$18.6bn in 1984 - 69 per cent of Mexico's export revenue - against \$18.1bn in 1983.

Mr Mario Ramon Beleta, director-general, said Mexico's export policy had been open and disciplined in a difficult year for the international oil market, and had contributed to maintaining price stability. "In an

example of transparency," he said, Mexico had sold all its crude to established term customers at official prices.

Petrobras, Brazil's state-run oil monopoly, has made an "extremely promising" oil discovery in a 125 sq km area under exploration 100 km off the coast of Rio de Janeiro, Ann Charters writes from Sao Paulo.

However, the oil has been discovered at depths that require new technology for commercial exploitation and the company said two

more drillings were needed to confirm the importance of the find. If initial projections are correct, the site could put Brazil well on the way to self-sufficiency, given current consumption levels.

Petrobras also reported 1984 earnings of 1.2 trillion (million million) cruzeiros, about \$656m at an annual average exchange rate, up 380 per cent in nominal terms over 1983's profits of Cr 313.8m and well ahead of last year's inflation rate of 224 per cent.

Bavarian bank holds dividend

By Jonathan Carr in Frankfurt

BAYERISCHE VEREINSBANK, one of the biggest West German banks, proposes to pay an unchanged dividend of DM 11 (\$3.35) per DM 50 share for 1984, after holding net profit at DM 121m compared with DM 120m in 1983. DM 20m is being added to reserves.

Total assets of the parent bank rose by 11 per cent to DM 72.5bn during the last year, while those of the group were up by 9.4 per cent to DM 124.2bn.

John Moore reports on London Stock Exchange's plan for reform

Rules tailored for a new era

FAR-REACHING changes in the membership and constitution of the London Stock Exchange were yesterday detailed in a 56-page policy document.

Sir Nicholas Goodison, chairman of the stock exchange, said: "The aim of the changes is to improve the need to attract business to the stock exchange. It is no good maintaining or putting up barriers, especially in a country where there is no monopoly of business in securities."

Sir Nicholas said that the changes aim to provide all members and member-firms with a means of access to adequate capital resources and to maintain a reliable regulatory framework and unity within the stock exchange community. "All of these are necessary aids to the support and expansion of members' businesses and an increasingly competitive industry."

Many of the changes, he said, follow naturally on the commercial developments of recent years, "and it would be wrong to exaggerate their importance. But some of them are far-reaching."

The main change centres on the relation of the rule which limits any one outside shareholder holding more than 29.9 per cent in a member-firm. From March 1986, outsiders will be able to hold 100 per cent of stock exchange brokers and stockjobbers.

In the document the stock exchange council says that it proposes to amend the rules in due course to enable up to 100 per cent of a member firm to be owned by a single non-member.

The document says: "On the assumption that minimum commission scales will be abolished (on securities transactions) in October 1986 and that the new dealing systems will come into operation at the same time, the effective date for the change of rule is likely to be March 1986."

This date has been chosen because stock exchange firms must be given adequate time to complete their operational arrangements and to put in place their organisational structures for the new market. But the document adds: "To delay change until the very last moment would place member firms in an unfavourable competitive position compared with organisations already experienced in dual capacity trading, which may wish to enter the stock exchange."

In agreeing on the date for permitting 100 per cent ownership the stock exchange council is conscious of the general risk that single capacity might not effectively be maintained during the transitional phase to dual capacity.

The council has a responsibility

to market users to ensure that the market continues to function fairly and effectively, and must deal with any threat to the orderly continuance of the single capacity system (which separates the functions of stock broking and stock jobbing) until it is replaced. Appropriate undertakings will be required of merging firms. These safeguards will be policed by the surveillance division and enforced by the council. It says.

In order to permit outsiders full access to the stock exchange its constitution is to be changed. The council has decided that existing 5p shares in the stock exchange itself, one of which is held by all members, should be split into shares of 1p and made transferable. Each existing firm will be required to acquire at least 50 shares, on application to the council, such smaller number as the council may allow on grounds of size.

Corporate members

Dispensation will normally be made available for partnerships with fewer than 10 general partners; for unlimited corporate members with fewer than 10 shareholders; and for limited corporate members of comparable size, as measured by reference to their chargeable revenue, staff and minimum liquidity margin. The reduced requirement for smaller firms will be on the basis of five shares for each general partner or shareholder member.

If one or more outside groups acquire more than 50 per cent of an existing member firm it would be required to hold a further 50 shares. "This requirement might be reduced by the council in exceptional circumstances."

Similarly, new entrant firms will be obliged to acquire at least 50 shares and, if owned as to more than 50 per cent by one or more non-members, a further 50 shares. These requirements might be reduced by dispensation in exceptional circumstances, subject to review by the council from time to time. New entrant firms will be required to obtain their entire share requirement in the market or from the stock exchange.

If the parent company of an outside group is a member of the stock exchange it will only need to hold a total of 100 shares even if it owns more than one securities firm.

The stock exchange will make extra shares available if required at £2,000 per 1p share. This price will be reviewed by the council from time to time in the future. The

shares will be split and become transferable on January 2 1986.

The cost of participating on the stock exchange will change. From a date to be decided in 1986 there will be two rates of general service charge payable to the stock exchange to finance its operations. The higher charge will be paid only by firms which are owned 50 per cent or more by outside groups, the lower by other firms.

No firm will be liable to pay the higher rate charge for more than five years. The council "does not expect higher rate charges levied up on any incoming new firm to amount to more than £500,000 over the lower rate during the five years. An existing firm liable to pay the higher rate will not incur a charge unless its revenue increases from best recent levels."

Other changes are:
● A new category of member of the stock exchange is to be created called "registered representatives." An employee of a member firm, who in the course of his duties has contact with any client or prospective client in carrying out deals on behalf of the firm must be a registered representative.
● Any person within a stock exchange firm who wishes to exercise responsibility for, or to have any control of, any separately identifiable area of business activity within a firm, or of any organisational grouping of registered representatives will be required to be a member.
● The council believe that it is appropriate to make some adjustment to the examination requirements for membership. From 1986 two papers will be set derived from the existing stock exchange practice and technique of investment subjects. The present syllabus will be changed.
● The stock exchange council says that the "Bank of England's paper of November 1984 on the future structure of the gilt-edged market stated that the Bank intends to confine its dealings to market makers who are stock exchange members. The council will accordingly admit such market makers to corporate membership of the stock exchange."

● In admitting foreign companies to control British securities firms on the stock exchange, it would pay special regard to the freedom granted to member firms to trade in securities in the country in which the head office was situated.
● A majority of the board of limited corporate members must be partners of the stock exchange. In the case of partnership firms, all partners must be members. Anyone who can commit the firm in market

dealings or who can give advice to the public on behalf of a firm will have to be either a registered representative or a member. The firm will have to be a separately constituted and capitalised entity, conducting its business in the UK and Ireland under the rules of the stock exchange, using the central settlement system.

● The requirement that an owner of 29.9 per cent of a stock exchange firm operating in one particular function may not acquire more than 5 per cent of a member firm operating in another function "is operating in the disadvantage of both member firms and investors."

The council proposes to lift the 5 per cent permitted percentage and permit investments of up to 29.9 per cent to be taken irrespective of an investor's other investments in member firms. The council will also permit broking and jobbing firms to make contractual arrangements with each other for future co-operation, amalgamation or takeover which can be effective from the date that 100 per cent ownership is permitted.

Personal liability

● Members in limited corporate member firms will be allowed to trade with limited personal liability, once non-members were permitted to acquire a majority of the capital of a member firm.
● New capital and liquidity margins requirements will be introduced for firms trading as principals or market makers and existing arrangements for all firms will be reviewed and extended.
● Arrangements will be proposed for the development of the Commission Sharing Registers, for a new category of clearing firm and for the regulation of substantial investors in member firms.

An extraordinary general meeting of members has been called by the stock exchange for June 4 at which they will be asked to vote on the proposals. A simple majority of those voting will be required for the relaxation of the 29.9 per cent rule, while the constitutional changes will require a 75 per cent majority.

● The stock exchange is maintaining its compensation fund. The council has decided that the holder of an interest in a member firm in excess of 29.9 per cent together with any associated company should be excluded from its principal transactions in the event of the failure of a member firm in which it has invested. There will be a limit of £250,000 per claimant in respect of each failure on payments from the compensation fund.

All of these securities having been sold, this announcement appears as a matter of record only.

5,000,000 Shares

TELERATE

Common Stock

Goldman, Sachs & Co.	Shearson Lehman Brothers
Bear, Stearns & Co.	Alex. Brown & Sons
Dillon, Read & Co. Inc.	Drexel Burnham Lambert
Hambrecht & Quist	E. F. Hutton & Company Inc.
Kidder, Peabody & Co.	Merrill Lynch Capital Markets
Montgomery Securities	Morgan Stanley & Co.
PaineWebber	Robertson, Colman & Stephens
L. F. Rothschild, Unterberg, Towbin	Salomon Brothers Inc.
Smith Barney, Harris Upham & Co.	Dean Witter Reynolds Inc.
Allen & Company	A. G. Edwards & Sons, Inc.
Oppenheimer & Co., Inc.	Thomson McKinnon Securities Inc.
ABD Securities Corporation	Arnhold and S. Bleichroeder, Inc.
W. I. Carr, Sons & Co. (Overseas) Limited	Daiwa Securities America Inc.
Deutsche Bank Capital	Dominion Securities Pittfield Inc.
EuroPartners Securities Corporation	Robert Fleming
Kleinwort, Benson	Grieson, Grant and Co.
The Nikko Securities Co.	McLeod Young Weir Incorporated
Sogen Securities Corporation	Nomura Securities International, Inc.
Wood Gundy Corp.	Swiss Bank Corporation International
de Zoete & Bevan	Yamaichi International (America), Inc.
Nippon Kangyo Kakumaru International, Inc.	New Japan Securities International Inc.
	Sanyo Securities America Inc.

March, 1985

This Advertisement appears as a matter of record only.

New Issue

15th March, 1985

U.S. \$150,000,000

Eastman Kodak Company

10% per cent. Bonds due 1995

Issue Price 100 per cent.

Chase Manhattan Capital Markets Group	Union Bank of Switzerland (Securities) Limited
Algemene Bank Nederland N.V.	Barclays Merchant Bank Limited
Crédit Commercial de France	Credit Suisse First Boston Limited
Daiwa Europe Limited	Deutsche Bank Aktiengesellschaft
Dresdner Bank Aktiengesellschaft	Lehman Brothers International Shearson Lehman/American Express Inc.
Lloyds Bank International Limited	Morgan Stanley International
Salomon Brothers International Limited	Swiss Bank Corporation International Limited
Julius Baer International Limited	Banca della Svizzera Italiana
Bank J. Vontobel Co. AG	Bank Leu International Ltd
Banque Bruxelles Lambert S.A.	Bayerische Hypotheken- und Wechsel-Bank
DG Bank-Deutsche Genossenschaftsbank	Girozentrale und Bank der österreichischen Sparkassen AG
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Unigestion S.A.	Schweizerische Hypotheken- und Handelsbank
	Verband Schweizerischer Kantonalbanken
	Vereins- und Westbank Aktiengesellschaft

This Advertisement appears as a matter of record only.

New Issue

15th March, 1985

U.S.\$300,000,000



Rockwell International

10 7/8 per cent. Notes due 1992
of
Rockwell International Corporation

Issue Price 99 3/4 per cent.

Union Bank of Switzerland (Securities) Limited		
E F Hutton & Company (London) Ltd	Nomura International Limited	
Orion Royal Bank Limited	Société Générale de Banque S.A.	
Svenska Handelsbanken Group	Yamaichi International (Europe) Limited	
Abu Dhabi Investment Company	Julius Baer International Limited	Bank Leu International Ltd
Bank J. Vontobel & Co. AG	Banque Française du Commerce Extérieur	Bayerische Hypotheken- und Wechsel-Bank
Banque Generale du Luxembourg S.A.	Bayerische Vereinsbank Aktiengesellschaft	Compagnie de Banque et d'Investissements, CBI
Bayerische Landesbank Girozentrale	Daiwa Europe Limited	Den norske Creditbank
Deutsche Girozentrale-Deutsche Kommunalbank	Euromobiliare S.p.A.	European Banking Company Limited
Gefina International Limited	Genossenschaftliche Zentralbank AG - Vienna	Hambros Bank Limited
Girozentrale und Bank der österreichischen Aktiengesellschaft	Kuwait International Investment Co. s.a.k.	B. Metzler seel. Sohn & Co.
Kidder, Peabody International Limited	Merck, Finck & Co.	Österreichische Länderbank
Lloyds Bank International Limited	PK Christiania Bank (UK) Limited	Schweizerische Hypotheken- und Handelsbank
The Nikko Securities Co., (Europe) Limited	Vereins- und Westbank Aktiengesellschaft	
Pierson, Heidring & Pierson N.V.		
Smith Barney, Harris Upham & Co Incorporated		
Tradition International S.A.		

This Advertisement appears as a matter of record only.

New Issue

18th March, 1985

U.S.\$100,000,000

Nestlé Holdings, Inc.

9 7/8 per cent. Notes due 1988

Issue Price 100 per cent.

Union Bank of Switzerland (Securities) Limited	
Credit Suisse First Boston Limited	Swiss Bank Corporation International Limited
Bankers Trust International Limited	Morgan Stanley International
Salomon Brothers International Limited	
Amro International Limited	Julius Baer International Limited
Bank Leu International Ltd	Banque Populaire Suisse S.A. Luxembourg
Deutsche Bank Aktiengesellschaft	Groupement Privé Genevois S.A.
Handelsbank N.W. (Overseas) Limited	Lombard Odier International S.A.
Pictet International Ltd.	Smith Barney, Harris Upham and Co. Incorporated
Société Générale	S. G. Warburg & Co. Ltd.

This Advertisement appears as a matter of record only.

New Issue

20th March, 1985

U.S.\$100,000,000



10% per cent. Notes due 1990

Issue Price 100 per cent.

Union Bank of Switzerland (Securities) Limited	Morgan Stanley International
Bankers Trust International Limited	Chase Manhattan Capital Markets Group
County Bank Limited	Daiwa Europe Limited
Dresdner Bank Aktiengesellschaft	Orion Royal Bank Limited
N. M. Rothschild & Sons Limited	Société Générale de Banque S.A.
Amro International Limited	Julius Baer International Limited
Bank J. Vontobel & Co. AG	Banque Française du Commerce Extérieur
Bayerische Hypotheken- und Wechsel-Bank	Banque Internationale à Luxembourg S.A.
Girozentrale und bank der österreichischen Sparkassen Aktiengesellschaft	Credit Commercial de France
Norddeutsche Landesbank Girozentrale	Kreditbank N.V.
Svenska Handelsbanken Group	Schweizerische Hypotheken- und Handelsbank
	Vereins- und Westbank Aktiengesellschaft

All of these securities have been sold. This announcement appears as a matter of record only.

March, 1985



ASK COMPUTER SYSTEMS, INC.

1,600,000 Shares

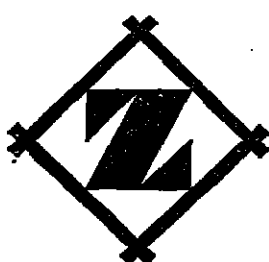
Common Stock

L. F. ROTHSCHILD, UNTERBERG, TOWBIN

BEAR, STEARNS & CO.	THE FIRST BOSTON CORPORATION	ALEX. BROWN & SONS
DILLON, READ & CO. INC.	DONALDSON, LUPKIN & JENNETTE	DREXEL BURNHAM LAMBERT
GOLDMAN, SACHS & CO.	HAMBRECHT & QUIST	E. F. HUTTON & COMPANY INC.
LAZARD FRERES & CO.	MERRILL LYNCH CAPITAL MARKETS	KIDDER, PEABODY & CO.
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SALOMON BROTHERS INC.	SMITH BARNES, HARRIS UPHAM & CO.	ROBERTSON, COLMAN & STEPHENS
ALLEN & COMPANY	BREAN MURRAY, FOSTER SECURITIES INC.	WERTHEIM & CO., INC.
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OFFENHEIMER & CO., INC.	PIPER, JAFFRAY & HOPWOOD	ROTHSCHILD INC.
ABD SECURITIES CORPORATION	ARNHOLD AND S. BLEICHROEDER, INC.	
EUROPARTNERS SECURITIES CORPORATION	ROBERT FLEMING	KLEINWORT, BENSON
SWISS BANK CORPORATION INTERNATIONAL	ULTRAFIN INTERNATIONAL CORPORATION	
BUCKMASTER & MOORE	CREDIT COMMERCIALE de FRANCE	
GRIEVESON, GRANT & CO.	HAMBROS BANK	KITCAT, AITKEN & SAFFRAN
PICTET INTERNATIONAL	PIERSON, HELDRING & PIERSON N.V.	M. M. WARBURG-BRINCKMANN, WIRTZ & CO.

New Issue

March 21, 1985



Zenchiku Company Limited

Tokyo, Japan

DM 35,000,000

3 3/4% Bearer Bonds of 1985/1990
with Warrants
to subscribe for shares of common stock of
Zenchiku Company Limited

The Bonds are guaranteed by
The Mitsui Bank, Limited
Tokyo, Japan.

Bayerische Vereinsbank Aktiengesellschaft	Daiwa Europe Limited
Banque Populaire Suisse S.A. Luxembourg	HandelsBank N.W. (Overseas) Limited
Kuwait Investment Company (S.A.K.)	Mitsui Finance International Limited
Wirtschafts- und Privatbank	

U.S.\$50,000,000 Guaranteed Floating Rate
Notes due 1987

C. ITOH & CO. LTD.



Unconditionally guaranteed by
THE DAI-ICHI KANGYO BANK LTD

In accordance with the provisions of the Reference Agency
Agreement between C. Itoh & Co. Ltd. and Citibank, N.A.,
dated March 14, 1980, notice is hereby given that the Rate of
Interest has been fixed at 10 1/4% p.a. and that the interest
payable on the relevant Interest Payment Date, September 23,
1985, against Coupon No. 11 will be US\$264.79.

March 21, 1985, London
By: Citibank, N.A. (CSSI Dept.) Agent Bank CITIBANK

£50,000,000
ALL NIPPON AIRWAYS CO., LTD.
(Zen Nippon Kyo Kobushiki Kaisha)
GUARANTEED FLOATING RATE NOTES DUE 1991



Unconditionally and irrevocably guaranteed as to payment of
principal and interest by
The Long-Term Credit Bank of Japan, Limited

Notice is hereby given that the Rate of Interest has been fixed at 13 3/4% p.a.
and that the interest payable on the relevant Interest Payment Date, June 20,
1985 against Coupon No. 2 in respect of £5,000 nominal of the Notes will
be £168.56.

March 21, 1985, London
By: Citibank, N.A. (CSSI Dept.) Agent Bank

CITIBANK

INTL. COMPANIES & FINANCE

Jurek Martin on the privatisation problems of a state monopoly Political infighting dogs NTT

FIERCE infighting between supporters of Mr Kakuei Tanaka, the former Prime Minister, and the Japanese business establishment is continuing to bedevil the affairs of Nippon Telegraph and Telephone on the eve of its transformation from a state monopoly into a nominally private company.

This is the widespread interpretation in Tokyo of the apparently straightforward announcement on Tuesday night that Mr Yuzuru Abe, currently president of Nishin Steel, had declined—ostensibly for health reasons—an offer to become vice-president of the new company.

Mr Abe was the nominee of the Keidanren, the industrial confederation, to serve under Dr Hisashi Shinto, who is to remain as NTT's president, and alongside another vice-president, Mr Yasuhide Kitahara, who has held the post for the last eight years.

Had he accepted the offer disclosed over the weekend, Mr

Abe would have been considered the leading candidate to take over from Dr Shinto, who is now 74, when he steps aside, presumably in two to three years' time.

The problem, however, lay in the fact that Mr Kitahara has strong ties to the Tanaka political faction inside the ruling Liberal Democratic Party, which, at one stage, was even pushing him as an alternative to Dr Shinto.

The patronage base of Mr Tanaka's formidable political machine has long rested in two Ministries—Posts and Telecommunications, and Construction—in which he served earlier in his career. Mr Tanaka himself is now recuperating in hospital, reportedly very slowly, from a stroke suffered last month, but his chief lieutenants are well versed in his modus operandi.

An NTT official, while professing ignorance of any political factors at work, conceded that even the implication of such created a "bad impression" for the company as it

was gearing up for its change in status.

NTT's "privatisation" is a far cry from the experience of the UK, because the Government will remain the sole shareholder from April 1 and the majority holder after the first public issue due next year. But NTT will from next month no longer be guaranteed its monopoly, and the accompanying new telecommunications laws are supposed to foster competition and reduce bureaucratic and political interference and direction.

Mr Norishige Hasegawa, chairman of Sumitomo Chemical and an influential senior member of Keidanren, said yesterday that "it will now be very difficult to find a good candidate" to replace Mr Abe, given the intensity of political feelings.

He revealed that when Mr Yoshihiro Inayama, the head of Keidanren, had offered Mr Abe the post, he had warned him that he would be in "an awkward position" at NTT. The Japanese business com-

munity is the LDP's chief underwriter and normally works closely with the ruling party. Mr Hasegawa provided an example of this in the telecommunications field in his account of yesterday morning's session between a Keidanren delegation and the LDP hierarchy at which, he said, the businessmen secured the support of the politicians for their plan to "buy" a communications satellite from the U.S.

Mr Hasegawa said it had not been decided how this Keidanren-sponsored purchase would be effected and he conceded it was "unconventional" at present to invest in a U.S.-made satellite. But he argued that it was the sort of gesture that could help defuse trade friction with the U.S., a proposition accepted by the LDP leadership.

NTT will be capitalised at ¥780bn (\$3bn) and the shares will carry a value of ¥30,000, according to the committee responsible for establishing the company in its new form. Kyoto adds from Tokyo.

Collaboration agreements boost earnings at JRA

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

JRA, the wholly-owned Australian subsidiary of BL, is to pay its first-ever dividend, thanks to the success of collaboration agreements with Honda and Hino of Japan and Peugeot of France.

More than 70 per cent of JRA's revenue is now flowing from products which are not supplied by the state-owned parent company in Britain, says Mr Philip Howell, its managing director.

JRA is one of the most financially successful companies in the Australian motor industry and one of the most profitable subsidiaries within BL, he says. Net profits for 1984 improved from A\$8.9m (U.S.\$6.2m) to A\$18.7m. This result enabled JRA to declare dividends totalling A\$5.1m.

JRA also generated enough cash last year to buy back 187.5m of preference shares.

The company finally gave up producing cars and trucks in Australia in 1983 and instead imports the Peugeot 505 from France, the Rover SD1 3.5 litre saloons and Jaguar XJS and 4.2 litre saloons from Britain, and the Rover Quintet from Honda in Japan.

The Rover Quintet is simply a re-badged version of Honda's own Quintet. JRA launched it to ensure that Rover sales matched the quota allowed by the Australian Government. It is also providing an important base for the Rover XX, the executive car jointly developed by Austin Rover and Honda, which will be built in Japan for the Australian market, and might be launched there by JRA next year.

JRA also imports bus chassis from Leyland in the UK and from Hino in Japan. Between them they accounted for more than a third of all bus chassis delivered in 1984. The company's bus and coach body-building subsidiary supplied more than 50 per cent of bodies to the industry.

Apart from importing Range Rovers and Land Rovers from the UK, JRA last year opened a new factory at Moorbank, near Sydney, to build special versions of the Land Rover 110. JRA registered 6,243 cars and four-wheel-drive vehicles last year, a 21 per cent increase in unit sales over 1983. Sales revenues improved from A\$198.1m to A\$208.8m.

Investigators into Cathay widen scope of inquiries

BY BOB KING IN TAIPEI

TAIWAN Government investigators and auditors examining the affairs of the troubled Cathay group of companies, where loan obligations may reach U.S.\$500m, have widened the scope of their inquiries as more problems and allegations of wrongdoing emerge.

Disclosures that the tenth Credit Co-operative had been engaging in illegal lending practices have led in recent weeks to the financial collapse of an affiliate, Cathay Plastics, as well as a government takeover of Tenth Credit and yet another affiliate, Cathay Investment and Trust, and the resignation of Mr Hsu Li-teh, the Economics Minister.

Mr Tsai Chen-Chou, head of both Cathay Plastic and Tenth Credit, has been arrested on charges ranging from breach of trust to fraud. Officials estimate that Mr Tsai owes at least U.S.\$350m.

The Co-operative Bank of Taiwan, appointed by the Government as caretaker for Tenth Credit, has announced that Tenth Credit has nearly T\$7bn (about U.S.\$175m) in potentially irrecoverable loans outstanding. It owes the

Co-operative Bank about T\$9.5bn against T\$10.8bn in security. Investigators have now extended their inquiries to include government officials who might have looked the other way as financial irregularities grew at Tenth Credit.

The authorities have already arrested nearly 30 employees and managers of Tenth Credit, two of whom have told investigators that Cathay Plastics spent about U.S.\$12m on "public relations" last year. Investigators feel that some of these funds may have been used to influence government officials.

Besides bringing about the downfall of Mr Hsu, a former Finance Minister, the scandal has threatened the Cabinet of Prime Minister Yu Kuo-hwa as well. A group of opposition MPs cited the scandal and other problems of recent months in calling in parliament for the resignation of the entire Yu Cabinet.

Loans either lost or at extreme risk as the scandal unfolds approach US\$500m, according to some estimates, or roughly 1 per cent of Taiwan's annual gross national product.

All of these securities having been sold in a Canadian offering, this announcement appears as a matter of record only.

\$484,400,000

Texaco Canada Inc.

Secondary Offering of 14,000,000 Common Shares
(Represented by Instalment Receipts)

Price: \$34.60 per share

Wood Gundy Inc.		
Dominion Securities Pittfield Limited	Nesbitt Thomson Bongard Inc.	McLeod Young Weir Limited
Merrill Lynch Canada Inc.		Richardson Greenshields of Canada Limited
Midland Doherty Limited	Walwyn Stodgell Cochran Murray Limited	Levesque, Beaudin Inc.
Pemberton Houston Willoughby Inc.	Bell Gouinlock Limited	Bache Securities Inc.
F. H. Deacon, Hodgson Inc.	Gardiner Watson Limited	Geoffrion, Leduc Inc.
Odlum Brown Limited	Davidson Partners Limited	McLean McCarthy Limited
Molson Rousseau Inc.	Scotia Bond Company Limited	Andras, Hatch & Hetherington Limited
Brink, Hudson & Lefever Limited	Alfred Bunting & Co. Limited	Burgess Graham Securities Limited
Casgrain & Company Limited	Cassels Blaikie & Co. Limited	First Marathon Securities Limited
John Graham & Company Limited	MacDougall, MacDougall & MacTier Inc.	J. D. Mack Limited
Maison Placements Canada Inc.	McCarthy Securities Limited	McDermid St. Lawrence Limited
McNeil, Mantha Inc.	Merit Investment Corporation	Moss Lawson & Co. Limited
Oster, Wills, Bickle Limited	Peters & Co. Limited	Thomson Kerrigan & Co. Limited
Tasse & Associates Limited	Yorkton Securities Inc.	

March 1985

INTL. COMPANIES & FINANCE

Robert Graham on efforts to reverse the decline of a financial centre Panama polishes its banking image

THE SKYLINE of Panama City is made up largely of modern bank buildings. Yet as the evening sun catches the spectacular modern glass fronts, an uncomfortable secret is revealed. Not all the office space is let. Two of the biggest office developments in Panama City have failed to find clients, except for the limited space occupied by their promoters. The banking boom in Panama is over and local bankers are wondering when it will acquire a new lease of life.

Banking, financial services, and real estate account for 7 per cent of Panama's gross domestic product and employ directly 9,000 people, out of a workforce of 670,000. Thus the health of the industry is of great importance to the economy both for its direct and indirect impact. A study by the Panamanian Tourist Institute in 1982 showed that one airport arrival in four was connected with banking business.

The current difficulties of the financial sector partially reflect the recession that has affected the whole of Latin America since 1981. Yet they are also a consequence of a cool reassessment of the role of Panama as a regional financial capital by a number of traditional users of this offshore centre.

Before 1970 there were only 21 banks operating in Panama. By 1980, the number had risen to 107, and since then it has moved above 120. During the decade assets of the banking system grew at an annual average of 40 per cent, with the growth of offshore business almost double that of the domestic market.

Panama was extremely successful in attracting regional business, so that over two-thirds of all activity became offshore. The attractions were the use of the dollar (the balboa is equivalent to the U.S. dollar); the lack of controls; the long-standing presence of major U.S. institutions which helped create a pool of experienced staff; good support facilities which grew up because of the American presence in the Canal Zone; the implicit stability flowing from the U.S. strategic commitment to the Canal; the geographical location of the country; and strict bank secrecy.

The bulk of deposits attracted by the offshore business came from within Latin America; the boom in Panamanian banking owed much to the artificially high values of many Latin American currencies against the dollar from 1975 to 1981. The massive flight of capital from such countries was partially

captured by Panama; some local bankers believe it attracted around 15 per cent of this capital flight. In turn over 85 per cent of offshore lending was to Latin American countries. Since 1982, offshore business has not merely stagnated but fallen. Deposits have been moved. Loans outstanding at the end of 1984 were down by \$450m to \$200m, from end-1983. In two years, offshore lending fell by almost one-third. Bankers say that funds have been moved out of Panama, mainly to the U.S., where interest rates and

importance of Miami have made their continued presence in Panama of marginal worth. Security Pacific has withdrawn. Libra International has closed down, and Toronto Dominion has given up its international licence. But others still feel it worthwhile to establish themselves, like Universal Bank of Uruguay. On the domestic banking side, Chase has cut its retail operations while Citibank has moved to concentrate on corporate clients. Newcomers have found the going tough, especially those who decided to

take advantage of regulations which permitted a bank's build-

ings to be treated favourably under its capital requirements. (This lay behind many of the modern office blocks in Panama City.) The most conspicuous casualty is Spain's Banco Exterior. Its building is the largest and most elaborate block in town, yet it has stood three-quarters empty since it was completed 18 months ago. The decline in offshore bank business would have been greater had Panama not begun to attract in the past 12 months, a larger amount of illegal drug funds—the so-called "narco dollars." The tightening up of regulations and surveillance in the Caribbean offshore centres, as a result of U.S. pressure, has led to more illegal funds coming to Panama to take advantage of its strict secrecy rules.

As a result of this influx, the U.S. Government has begun to apply discreet pressure on the Panamanian authorities. President Nicolas Ardito Barletta

are tax deductible in the U.S.). However, Sr Ardito Barletta, himself a former banker, is acutely conscious of the need for a clean image for Panama's banking business. As a result, he has begun to take a tough line towards banking irregularity. Early this month, he ordered the Banking Commission to intervene in the affairs of the First Inter-American Bank, which has assets of \$23m. This was the first time such action had been taken in Panama. The authorities moved in after the President had told the National Assembly he would not tolerate laundered funds in Panama. The bank is understood to have

Colombians as its main shareholders. The banking community is now waiting to see whether more such actions—involving a licence being revoked, while the authorities partially guarantee small depositors' interests—will follow, or whether this was a token move.

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Gets you a number without lifting the phone.

99 NUMBER MEMORY
No tedious dialling of frequently called numbers.

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The press of a button recalls the last number dialled.

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Your private three digit code prevents unauthorised calls.

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14 DIGIT FLUORESCENT DISPLAY

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Lets you dictate letters for posting, organise your diary, run an office etc. (This service will be available shortly)

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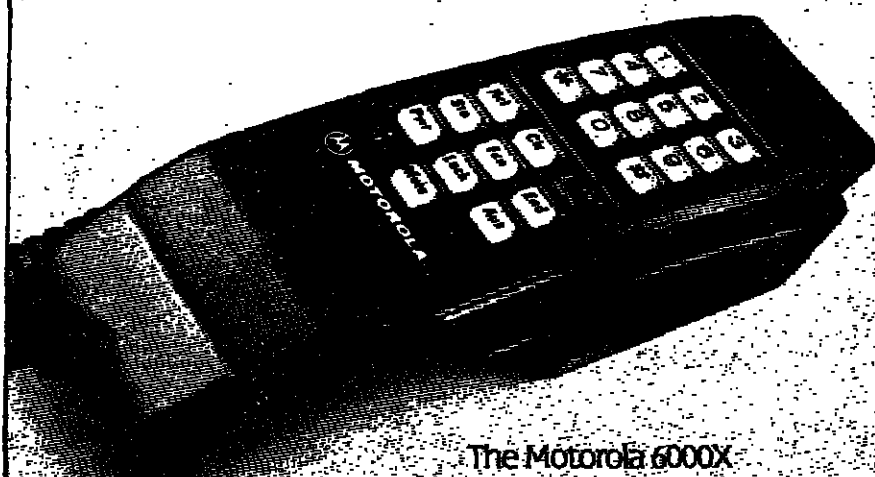
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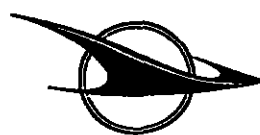
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Crédit Lyonnais	Credit Suisse
DG BANK Deutsche Genossenschaftsbank	InterFirst Bank Dallas, N.A.
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February 1985

All these Bonds have been sold. This announcement appears as a matter of record only.



South African Transport Services

Johannesburg, South Africa

ECU 50,000,000 Retractable Bonds

The Bonds may be redeemed at the option of the Holder or the Issuer
on February 28, 1990 and February 28, 1995
Final Maturity: February 28, 2000

Interest Rate: 10 1/4% until February 28, 1990
and thereafter as determined by the Issuer on February 28, 1990 and February 28, 1995

Irrevocably and unconditionally guaranteed by the

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New Issue • February 28, 1985

UK COMPANY NEWS

BICC arrests two years of decline

BICC, a constituent of the FT 30 Share Index, yesterday reported an upturn in profits for 1984 following two successive years of decline.

Pre-tax profits rose by over 10 per cent to £90.3m, which just crept into the lower end of City forecasts. At last night's close the shares were 17p higher at 247p.

BICC has interests in cable and wire making, mechanical and electrical engineering, and contracting. In 1981 it made £101.9m pre-tax but slipped to £88.6m in 1982 and £82m in 1983.

Sir William Barlow, who took over the chair in January this year, says "the first steps have been taken towards establishing a more satisfactory level of earnings and several loss-making activities have been eliminated."

However, he says, "we recognise that the results achieved are still below what is needed." After all charges, including extraordinary items £2m higher at £12m, BICC's retained profits emerged at £5m against £4m.

There is a determination, he says, "to make BICC perform better."

Shareholders are set to receive an unchanged final dividend of 7.04p, which holds the distribution for the third year running at 10.54p—it is proposed

that each ordinary shareholder be entitled to fully paid ordinary shares in lieu of all or part of the final dividend.

Total group turnover for 1984 amounted to £2,089m compared with £1,902m. Taxable profits were struck after higher interest payable of £15.5m (£13.8m).

Earnings per share rose from a stated 17.8p to 19.2p after tax

measures in UK, U.S. and Australian operations while losses were incurred in Canada, and South Africa experienced a downturn.

BICC Cables raised its trading profit contribution by £1.2m to £23.4m but its "true trading performance was effectively better than the figures indicate, as very substantial reorganisation and modernisation costs have been

been closed. Measures were initiated in the second half of 1984 and profits are being generated which, says the chairman, "will continue through 1985."

Results from South Africa, he says, were poor. "In our view the South African cable industry needs rationalising and this is best done by South African business interests."

As a first step BICC sold in October its 58.1 per cent interest in Scottish Cables, the South African electrical cables manufacturer, for £5.1m to Power Technologies.

BICC International, which provides the lion's share of group profits, increased its trading contribution from £60.1m to £54.2m. Record sales, orders, and profits of £21.1m, against £18.1m, were produced by Balfour Beatty International contracting subsidiary.

The Industrial Products Group has been renamed BICC Technologies to reflect its role in electronics systems and components and in medium power electrical engineering activities.

Trading profits from this source rose by £6.1m to £16.3m. Production units are based in Britain, U.S., France, Germany, and Hong Kong.

See Lex

PERFORMANCE BY GROUP COMPANY

	Turnover	Trading profit	% increase
	1984	1983	1984
	£m	£m	1984-83
Balfour Beatty	742	641	15.6
BICC Cables	494	465	6.2
BICC International	694	628	10.5
BICC Technologies	214	177	20.3
Corporate	—	—	—
Inter-group trading	55	41	34.1
Total	2,089	1,902	10.5
Debit	—	—	—

of £40.7m (£36.3m)—minorities and preference dividends accounted for £13m (£12m).

Sir William says "we plan to become a more decentralised group. BICC is taking action on poor performing units and central overhead costs are being cut 'as part of this policy of decentralisation'."

The profits increase in 1984 stemmed, he says, from improve-

ments in UK, U.S. and Australian operations while losses were incurred in Canada, and South Africa experienced a downturn.

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See Lex

Suter meets targets and starts 1985 confidently

PROSPECTS FOR the current year at Suter, the refrigeration, air conditioning and air equipment manufacturing group, are encouraging.

The group has already announced that its dividend for the 15 months will be 1.5p (5p for the year) but with the preliminary figure it says it is also proposing a one-for-one scrip.

Mr N. Solomon, appointed chairman of the group last June, says initial indications suggest that 1985 will be another good year for Suter.

For the 15 months group turnover surged from £33.36m to £108.48m including Associated Leisure from the date of acquisition. Trading was generally satisfactory.

Despite the increase in Gaming Licence Duty in the 1984 Budget, Associated Leisure performed well and the group's 17 provincial casinos again traded successfully.

The amusement machine division returned higher profits in a difficult market. The results of the holiday sector reflected the inclusion of Shearings, which was acquired in February 1984.

Survival, however, profits hit the £25m target, bang on though the shares still rose 23p to 448p. The only real disappointment, though not really a surprise since

Pleasurama tops £25m and more growth ahead

THE MUCH enlarged Pleasurama group returned pre-tax profits of £25.2m for the 15 months to December 30, 1984, in line with the forecast made last January at the time of the offer for Trident Television.

Over the preceding 12 months the Pleasurama, engaged in the leisure industry, pushed its profits up by £7.5m to £17.1m. It changed its year-end following the acquisition of Associated Leisure in March, 1984.

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BOARD MEETINGS

TODAY	DATE
Interim: Arbutnot Dollar Income Trust, H.T.V., Mincin Oils and Resources, Sanderson Murray and Westmore, Sider, Sider, Tey Jones, F. W. Thorpe, Thomas Walker.	Mar 21
Final: A.C. Cart, Bowyer Industries, Britoil, Bous Engineering, Church, Clifford's, Dalziel, Delany, House of Laroche, Jaguar, A. Jones, Jove Investment Trust, Nisha and Lund, Ray Invest, Renwick, Rockmore, Watts City of London, Proprietary.	Mar 22
Interim: Bailey (Ran), Construction.	Mar 27

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Meanwhile, it must generate enough cash to bring its gearing back down to 60 per cent by the end of this year. The problem for 1985 looks like hitting round 25p, but the real benefits from Trident will start showing in 1986.

See Lex

Having included profit and dividend forecasts in its offer document for Trident in January, Pleasurama was hard put to come up with any surprises yesterday. Sure enough, however, profits hit the £25m target, bang on though the shares still rose 23p to 448p. The only real disappointment, though not really a surprise since

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See Lex

Robinson Bros. in reverse and cuts dividend

Organic chemical manufacturer Robinson Brothers (Rydens Green) has run into a loss of £121,000 for the year ended December 28, 1984, compared with a profit of £380,000. The dividend on the ordinary shares — which are not listed — is cut from 9p to 5p net, the final being 2p.

After a reduction from £788,000 to £390,000 in first-half profit, the second six months experienced a loss of £421,000 (profit £292,000). Turnover in the year came to £16.4m (£15.55m).

Rotaprint

The directors of Rotaprint, printing equipment manufacturer, have decided that the company's reserve position does not permit the payment of the half year dividend on the 64 per cent preference shares, due for payment on March 31 1985.

Gent's profit drops to £900,000

A FIFTY-EIGHT PER CENT reduction in pre-tax profit for the half year ended December 31 1984 is reported by S. R. Gent, the south Yorkshire-based manufacturer of ladies' and children's clothing and a principal supplier to Marks & Spencer. However, the second half appears to be more satisfactory.

Shareholders were warned in November to expect disappointing results because of the intensified pressure on margins, heightened by the unseasonal warm weather which meant drastic price reductions. Demand for the new casual fashion wear and "after six" ranges was very strong but could not fully compensate for the lack of traditional winter selling.

Investment in opening the London design centre also affected results, and £263,000 was provided below the line. Turnover in the period rose 8.7 per cent to £41m, but the profit was down from £2.15m to £901,000, and earnings fell from 5.1p to 1.5p. The directors are

honouring their promise of holding the interim dividend at 1p net per share.

Mr Mason Marks, chairman, says initial sales reaction to the spring ranges has been good but margins continue to be under pressure. Sales of ladies and children's dresses to date are encouraging and the first casual outfits have been well received. In the year 1983-84 the group made a pre-tax profit of £6m and paid a 3p tax dividend.

The first overseas orders have

been secured from J. C. Penney of the U.S.

Reorganisation of the Australian subsidiary has led to increased profits but progress in Canada is below expectation. The related company in South Africa is trading satisfactorily.

Sublime Lighting, the newly acquired subsidiary, is proceeding satisfactorily and new ranges have been well received by existing customers and Marks & Spencer.

See Lex

Jones & Shipman £1m profit

Jones & Shipman, maker of high precision machine tools, swung round from a £975m loss to a pre-tax profit of £1.07m in 1984. The improvement was mainly attributable to sustained recovery in demand, particularly in export markets.

Turnover increased from £13.64m to £16.86m. The level of order intake in 1985 to date

is higher than last year and it maintained a strong position for further profitable progress, the board says.

With stated earnings per 25p share at 8.6p (6.3p losses), the dividend total is lifted to 2.75p (1p) net with a final of 1.75p. The 3p interim included a 0.5p special payment.

BICC 1984 profits up 10% to £90 million

Sir William Barlow, the Chairman, says:

"The increase in profits came from improvements in our UK, US and Australian operations but these were offset by a loss in Canada and lower profits from South Africa.

A final dividend of 7.04p per share is being recommended leaving the total dividend for the year unchanged.

	1984	1983
	£m	£m
Turnover	2089	1902
Profit before interest	106	95
Net interest payable	16	13
Profit before taxation	90	82
Taxation	40	36
Profit after taxation	50	46
Minority interests	13	12
Attributable profit	37	34
	p	p
Earnings per share	19.2	17.8
Dividends per share	10.54	10.54

The above results exclude extraordinary charges of £12m (1983: £10m).

Copies of the preliminary profits statement are available from the Secretary, BICC plc, 21 Bloomsbury Street, London WC1B 3QN.

The results are based on the full accounts of BICC Group for 1984 on which the auditors gave an unqualified report. These accounts have not yet been filed with the Registrar of Companies.

Engineering tomorrow's world in Cables, Components and Construction for communications and power

BICC

John Maunders up 32% to £936,000 midway

John Maunders Group, the North West of England based housebuilder, raised pre-tax profits by 32 per cent from £710,000 to £936,000 for the six months to December 31, 1984, on turnover up 38 per cent at £8.79m, against £6.37m.

Legal completion of new house sales increased by 26 per cent to 319 (253). Forward sales at 32 per cent ahead on last year and the directors anticipate satisfactory trading results for the full year.

Careful consideration has been given to Maunders' involvement in retirement homes and the directors feel that this highly specialised market is not conducive to the group's mainstream activities. As a result, two prime retirement home sites have been sold for a profit, in the current period.

Half-year operating profits

climbed from £780,000 to £1.14m, before investment income of £52,000 (£46,000) and interest and similar charges up sharply from £96,000 to £259,000. Tax was £42,000 (£34,000) and minorities £42,000 (nil) giving an attributable balance £76,000 higher at £452,000.

Stated earnings per 20p share increased to 6.3p to 7.6p, the interim dividend is raised by 0.25p to 2.25p net—last year's total was 4p on £1.62m taxable profits. The interim payment was £134,000 (£118,000) leaving a retained surplus of £318,000 (£257,000).

The mid-term result included a contribution from Maunders Developments, the joint venture industrial development company formed last November. This company is expected to make a further contribution in the second half.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div. year	Total for year	Total last year
BICC	7.04	July 1	7.04	10.54	10.54
City & Commercial	1.72	March 31	1.46	3.2	3.2
S. R. Gent	—	May 9	—	—	—
Government Group	2.25	July 1	2.25	—	5.75
John Howard	0.5	—	0.75	1.5	1.52
Jameson Chocolates	—	—	—	—	—
Jones & Shipman	1.75	May 18	1.275	1	1
John Mackay	3.2	May 22	2.6	4.6	4
John Maunders	2.25	April 25	2	—	—
Pacific Sales	1.4	April 30	1.75	3.5	2.5
Suter	2.3	June 17	1.5	—	11.8
Shires Invest	4th Int	May 15	5	—	—
George H. Scholes	Int	April 30	3.5	—	10
Trafford Park	3.75	May 30	7.5	13	10.5
Willis Faber	—	—	—	—	—
Armstrong Equip	Int	May 22	0.2	—	0.6

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issues. † O.C. = increased by rights and/or acquisition issues. ‡ USM stock † Includes 0.5p special payment. ‡ Over-the-counter stock.

Armstrong Equipment surges 43% midterm

TAXABLE profits at Armstrong Equipment surged by 43 per cent from £1.05m to £1.51m in the half year to December 31, 1984, despite a fall in turnover from £56.95m to £49.18m.

The profit increase "could have been greater but for the miners' strike, strikes in the automotive industry and the volatile situation in Iran," says Mr J. Harry Hooper, the chairman.

The interim dividend is increased from 0.2p to 0.3p net. The year as a whole, the chairman expects that further improvement will be shown. In

1983-84 the group made £3.5m. In the UK, all divisions are on a rising profit trend as continued improvement in efficiency takes effect. The success of A.C.M. (Armstrong Competition Motorcycles) in winning the contract to re-equip the British Army will begin to show increased profits in the last quarter of 1984/1985 year.

In Spain, the CREMSA company is growing rapidly and will continue to improve profits.

At half way, trading profits improved from £2.69m to £2.78m.

New England Props. into loss

New England Properties, formerly Charles Booth, suffered taxable losses of £76,000 for 1984, after an earlier dividend. Last year there were profits of £504,000 and this property investment and development concern paid a 1p net dividend. Turnover fell from £4.94m to £1.8m.

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Over-the-Counter Market									
High	Low	Company	Price	Change	Gross Yield	P/E	Fully Paid	Actual	Ratio
144	123	Aas. Brit. Ind. Ord.	142	—	6.6	4.4	7.9	9.4	—
151	133	Aas. Brit. Ind. CULS.	148	100	6.8	—	—	—	—
171	157	Airbus Group	56	—	6.4	11.4	6.2	7.4	—
92	62	Armstrong & Butler	55	—	6.5	4.2	8.5	—	—
144	108	Bardon Hill	144	—	3.4	2.4	74.5	24.2	—
101	77	Bryl Technologies	50	—	3.5	7.0	5.8	8.3	—
202	170	CCL Ord.	170	—	12.0	7.1	—	—	—
157	110	CCL Yld. Conv. Pref.	110	—	15.7	13.8	—	—	—
103	43	Carburenum Ord.	905	—	5.7	0.8	—	—	—
57	34	Carburenum 10% P.F.	17	—	10.7	1.2	—	—	—
106	43	Cinidco Group	438	—	—	—	—	—	—
312	181	Deborah Services	312	—	6.5	12.3	5.0	8.2	—
216	187	Frank Halls	312	—	6.5	12.3	5.0	8.2	—
298	170	Frank Horsell Pr.Ord.87	256	—	6.5	3.6	10.7	10.0	—
30	25	Fredrick Parker	27	—	—	—	—	—	—
58	38	George Seal	38	—	—	—	3.9	7.8	—
50	25	Ind. Precision Castings	25sd	—	2.7	10.8	6.8	7.4	—
218	108	Iels Group	188	—	15.0	7.5	7.3	13.6	—
124	105	Jackson Group	104	—	15.9	9.9	4.5	59.4	—
285	213	Jams Burrugh	235	—	12.7	5.4	8.0	—	—
59	53	Jams Burrugh SpCl.	85	—	12.9	15.2	—	—	—
177	170	John Reed	170	—	5.5	—	8.7	12.3	—
171	100	Lingaphone Ord.	171	—	—	—	—	—	—
100	30	Lingaphone 10.5% Pf.	95	—	15.0	15.5	—	—	—
155	300	Minihouse Holding NV.	315	—	10.0	0.5	44.2	48.4	—
120	31	Robert Jenkins	45	—	5.7	17.8	16.8	3.9	—
44	28	Scutrons A/S	32	—	8.4	11.1	8.4	37.7	—
100	78	Tordis	78	—	5.7	17.8	16.8	3.9	—
444	355	Trevan Holdings	355	—	4.3	4.3	1.2	8.4	37.7
27	17	Unlick Holdings	26	—	1.3	5.0	12.9	18.2	—
38	3	Walter Holdings	38sd	—	5.4	7.5	8.4	11.4	—
247	224	W. S. Yates	224	—	17.4	9.7	5.5	10.7	—
S= Suspended.									
Prices and details of services now available on Prestar, page 4814b									

UK COMPANY NEWS

Willis Faber ahead 23% despite insurance loss

LEADING INTERNATIONAL insurance broker, Willis Faber, has reported a 23 per cent rise in taxable profits for 1984 from £38.3m to £47m, despite its insurance company operations turning in a pre-tax loss over the year.

Shareholders get a 24 per cent increase in the dividend for the year at 12p against 10.5p. This is in line with the advance in earnings per share which climbed from 22.5p to 29.2p.

The group's brokerage and fee income rose by 25 per cent over the year from £38.3m to £47m, boosted by sterling's weakness. But Mr David Palmer, chairman and chief executive of Willis Faber, said there was substantial new business from existing and new clients.

The group's underwriting agency fees and commission showed only a 3 per cent rise from £11.7m to £12.5m, reflecting the dull insurance and reinsurance conditions last year. Latest dividend was advanced 15 per cent in sterling terms from £13.7m to £15.7m.

Net retained premium income was up by a third from £15.8m to £21.2m, while income from associated companies, excluding Morgan Grenfell, rose 15 per cent from £18m to £20.8m.

This resulted in total revenue excluding Morgan Grenfell rising 22 per cent from £125m to £153m.

The group benefited from the drop in corporation tax rate, the tax calculation being on a composite rate of 46.25 per cent against 50.5 per cent in 1983.

Expenses rose by 22 per cent

from £54.8m to £78.5m over the year.

The insurance company operations of the group resulted in a pre-tax loss of £93,000 in 1984 against a £29,000 profit in the previous year. Mr Palmer pointed out that this drop came from poor trading conditions for insurance worldwide, with the U.S. market being badly hit. The operating ratio for the insurance operations compared favourably with that for the U.S. industry.

Last year's profits were hit by certain exceptional items, the main one being a £2.8m sum to maintain goodwill. Mr Palmer explained that this item arose in connection with the underwriting agencies held for overseas clients from Japan and elsewhere.

Willis Faber had discontinued certain lines after the periods of heavy underwriting losses, because it could not foresee any radical improvement in the immediate future. It was felt right to reimburse its clients for the losses since there was no opportunity to recoup.

Mr Palmer stated in reply to questions that the group was fully supporting the efforts of the Lloyd's syndicate S&S-Spicer and White to arrange a loan package in order to meet the £20m losses incurred by the syndicate without resorting to a cash call on syndicate members.

He emphasised that Willis Faber's role was that of a professional adviser, providing the expertise and administration in putting together the package. The group itself was not putting

Mackay lifts dividend as profits show 83% surge

AN ADVANCE in profits from £361,000 to £659,000 — equal to some 83 per cent — and a 15 per cent rise in shareholders' dividend to 4.6p are announced by Durham carpet maker Hugh Mackay for 1984. And forecasts for the current term "suggest progressive improvement in trading throughout the year."

Last year was one of increasing activity building upon the better performance of 1983, the directors state. Volumes were up some 21 per cent and improved working methods led to better profitability without any material increase in employees.

Total sales grew from £11.1m to £14.6m, with the UK accounting for £9.5m (£7.2m), and trading profit moved up from £52,000 to £589,000. The rise in the second half was helped by greater volumes, the mix of sales, falls in the value of sterling, and improved selling prices.

Advances were shown in sales through the West German subsidiary and in Europe generally. A company was set up in America to protect and develop trading there. The special products side expanded its range of non-woven carpets and traded profitably in the second half.

After tax £246,000 (£177,000) and minorities £2,000 (£1,000), the net profit comes out at £411,000 (£243,000), and the final dividend is 3.2p (2.6p). There is a £299,000 net surplus on the sale of spare land, and this helped liquidity which was under pressure from the higher working capital requirements.

On December 31 the net asset value was shown at 102.4p per share, against 82.3p the year before.

In order to widen and strengthen the board it has been decided to have non-executive directors. Mr Donald Ford, chief executive of TWI, has been appointed, and consideration will be given to the appointment of a second such director.

Authorities compromise with Ok Tedi partners

BY GEORGE MILLING-STANLEY

THE FUTURE of the Ok Tedi gold and copper mine now seems assured with an announcement yesterday from the Papua New Guinea Government that the mine was scheduled to reopen last night.

The Government, which has a stake of about a fifth in the joint venture company Ok Tedi Mining, closed the AS1.6m (£971m) mine a month ago after a dispute with its commercial partners over the timing of future phases of development.

The partners, Australia's Broken Hill Proprietary and Amoco Minerals of the U.S. with 30 per cent each and a group of West German interests with the remaining 20 per cent, had sought delays to the original development plans in view of the decline in metal prices since the project was first agreed.

This aroused the Government's fears that the partners might be contemplating pulling out of the project once the lucrative first phase of development, involving the exploitation of a cap of gold-

rich ore on top of the deposit, was completed. The authorities have always emphasised that they regard Ok Tedi principally as a copper mine with a life stretching well into the next century.

A compromise has now been reached under which the Government has agreed to some delay in the introduction of the second phase, which allows for the production of copper in addition to the gold, in return for guarantees from the commercial partners on the timetable for future development.

Plans for the construction of a permanent system for dealing with the mine's tailings (waste products) and the first copper production line at a rate of 30,000 tonnes of ore a day have to be laid before the authorities by July 31, and the consortium's temporary permit for tailings disposal has been renewed until that date.

The revocation of the temporary tailings permit was the mechanism the authorities used to order the mine's closure.

Mr Francis Pusal, Papua's Minister for Minerals and Energy, said yesterday that the mine would be closed again after the four-month period unless a detailed and legally-binding document was formulated by then, but it was clear that no-one expected this to be necessary.

Both sides have been prepared to make concessions from their earlier positions, a new general manager for Ok Tedi Mining has been appointed and the Government has agreed to inject an additional Kina 15.7m into the project to restore its interest to 20 per cent. The stake fell to 16.7 per cent early in the dispute when the Government withheld its contributions.

A decision on a second copper line, also of 30,000 tonnes a day capacity, and the installation of a hydroelectric power scheme to replace the present oil-fired system will be taken early in 1987 after consideration of the various economic factors at that time.

Grosvenor Group continues to improve

A CONTINUING improved performance in trading in all but two operating subsidiaries has helped pre-tax profits rise from £392,000 to £449,000 at Grosvenor Group for the six months to the end of 1984. Turnover, increased by acquisitions of this electrical manufacturer moved ahead from £3.05m to £3.58m.

The interim dividend is again 2.25p, although it is being paid on capital increased by 24.2 per cent in March, 1984. In the last full year a final of 2.5p was also paid. First-half net earnings per share are shown as 4.64p (6.16p).

Results would have been further improved says Mr N. D. P. Chamberlayne-Macdonald, chairman, but for continued losses at Cera, which was acquired in 1983. This company is still suffering from a lack of profitable work, which will result in further losses in the second half although at a reduced level. Conversion of enquiries into firm orders is "still inadequate." This company's future remains under review.

During the first half it was decided to integrate Metrel's element manufacturing operations with those of Backer Electric, resulting in the closure of Metrel's manufacturing. Backer Electric has been gaining market share in the first half, says the chairman.

The reorganisation of the element division should be completed in the second half. In view of this decision, Metrel's trading loss for the period has been shown separately as an exceptional debit of £197,000 and provision for closure costs up to the end of December have been shown as an extraordinary debit of £28,000 throughout.

All other parts of the group "performed well" and in accordance with expectations, notably Tlofano and Lock, says the chairman. Both benefited from increased sales to the U.S., where the strong dollar was an additional source of revenue.

The spread of group trading, both in the UK and export markets, shows "continuing progress."

Mersey Docks counts cost of two strikes and falls to £0.8m

BY ANDREW FISHER, SHIPPING CORRESPONDENT

THE TWO 1984 dock strikes hit last year's results of Mersey Docks and Harbour Company heavily. The company, which runs the Port of Liverpool, suffered a drop in pre-tax profits from £7.5m to £807,000.

Mersey Docks said the strikes lopped some £4m off its revenues in the second half of the year. Total turnover in 1984 was down from £57m to £50.2m. Operating profits slumped from £5.8m to £1.9m, with a loss of £243,000 (£8.6m profit in 1983) after interest charges and tax.

Mr James Fitzpatrick, the chairman, said that despite last year's mixed fortunes he was optimistic about prospects for 1985. One reason was the opening and initial development of Liverpool Freeport.

Others were the signing of a second two-year pay deal and the boost to business from the switch by South Africa European Container Service (SAECS) to Liverpool from Southampton during its recent stoppage. SAECS is, however, returning

to Southampton at the end of this month.

Mr Fitzpatrick said Bibby Edible Oils was spending £30m on an edible oil refinery and Continental (London), part of Continental Grain of the U.S., was making further investments at its Royal Seaforth operation in the port.

Mersey Docks will make a further repayment to stockholders this year of 3p per £1 stock, totalling £400,442. This will support repayments to 31p since the collapse in 1971 of the old Mersey Docks and Harbour Board and its replacement by the present company. No repayments occurred in 1984.

Mr Fitzpatrick said discussion would continue over repayment of funds granted by the Government to cover severance payments for dockers leaving the port. These now total £29m (including last year's £5.7m), of which £13.5m covers private retraining companies in the port.

The Government has said it would reclaim this amount when

Mersey Docks' financial circumstances allowed. The port now employs about 2,050 registered dock workers, of which 1,350 work for Mersey Docks. 50 per cent notices are going out for a further 205 dockers.

There was a fall in the volume of general cargo handled last year from 885,000 tonnes to 863,000 tonnes as a result of UK recession and financial problems suffered by a number of export markets in developing countries. Container traffic was fairly stable, however, at 121,000 TEU (twenty-foot equivalent units, the basic industry measurement) against 119,000 TEU.

Fleming Japanese

Available revenue of Fleming Japanese Investment Trust, surged from £37,000 to £450,000 for the half year to January 31, 1985. Earnings rose by 2.13p to 2.48p per 25p share. Total income amounted to £979,000 (£411,000). Tax took £343,000.

New man at the top for Denison

Denison Mines, the Canadian mining and energy company, has unexpectedly named Mr Bruce McConkey as acting president following the resignation of Mr Clifford Frame.

In a terse statement Denison's chairman and controlling shareholder, Mr Stephen Roman, gave no reasons for Mr Frame's departure.

Rumours of friction between the two men were fuelled at Denison's annual meeting last month. Mr Roman publicly rebuked Mr Frame, who also held the post of chief operating officer, for talking to journalists

about problems at the Quintette coal mine in north-east British Columbia, in which Denison has a 50 per cent stake.

Mr Frame, 51, was replaced as president of the Quintette operating company earlier this year.

Quintette has been plagued by a series of setbacks, including unexpected geological problems, mechanical failures and the weak market for metallurgical coal. The mine's total output of 3.5m tonnes in 1984, its first full year of operation, was 23 per cent below target. Its Japanese

customers have asked for a price reduction.

Mr Frame indicated last month that Denison was trying to secure lower interest rates on loans from the Japanese steel companies which are also minority shareholders in the Quintette venture.

Denison's earnings declined by 20 per cent last year to C\$80.5m (£51.5m). The company recently announced a C\$150m offering of preferred shares to strengthen its balance sheet.

Mr McConkey, presently vice-chairman of Denison Mines, has worked for the company for the past 30 years.

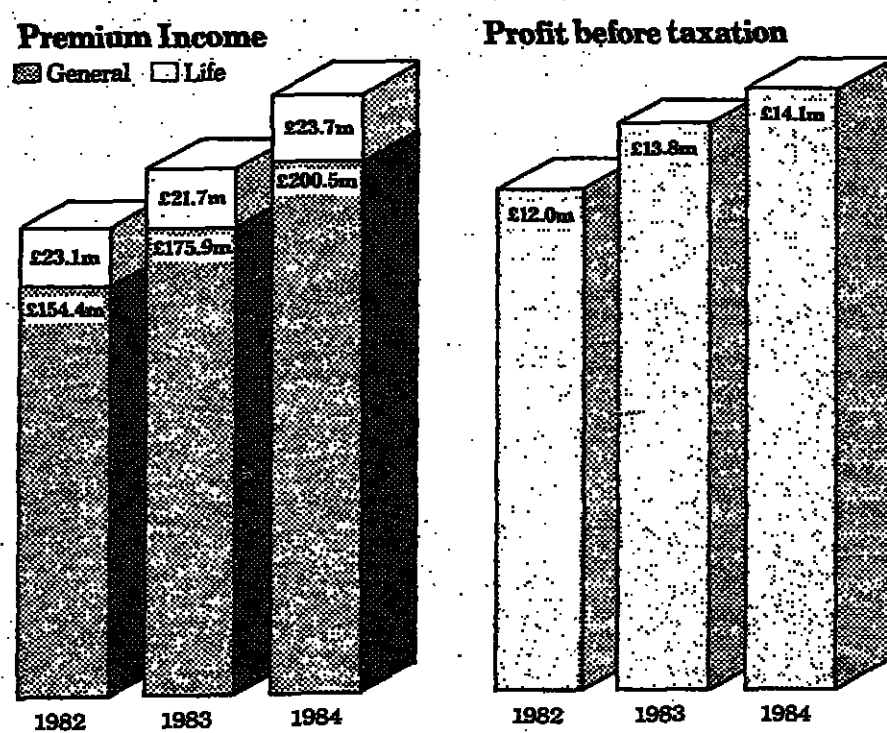
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Cornhill Insurance Group 1984 Results



	1984 £m	1983 £m
Premium Income	200.5	175.9
General Business	23.7	21.7
Life Business	224.2	197.6
Profits		
Underwriting result	(14.3)	(10.1)
Investment income attributable to general insurance funds	19.8	16.4
General insurance profit	5.5	6.3
Shareholders' investment and other income	7.3	6.5
General business profit	12.8	12.8
Life business profit	1.4	1.1
Share of associated company result	(0.1)	(0.1)
	14.1	13.8

Copies of the Report & Accounts may be obtained shortly from the Secretary at 32 Cornhill, London EC3V 3LJ.

Cornhill Insurance Group
A member of the BTR Group of companies

A word to Tootal shareholders

Tootal is a word that means quality in many fields. Every hour Tootal produces enough thread to circle the world. Tootal is the shirt that looks even better on a man. Tootal is the reversible skirt for the lady who knows fashion inside out.

Our other names add up to even more success. Slimma, major suppliers to Marks & Spencer, go from strength to strength. Osman bedfashions, Stiebel ners, Lantor non-wovens, Trutex clothes for young people, Sylko and Sylko Supreme thread are household names.

With a major programme of redevelopment since 1981, significantly better performance has been achieved. Cash flow, profits and earnings for shareholders have materially improved.

Not surprisingly, this success has attracted attention. You may be considering whether to accept the takeover offer. We should like to offer a word of advice. Don't.

Tootal Group

Our names add up to strength

Each Director of Tootal Group plc (including those who have delegated detailed supervision of this advertisement) has taken all reasonable care to ensure that the facts stated and the opinions expressed herein are fair and accurate. Each of the Directors accepts responsibility accordingly.

UK COMPANY NEWS

CREST NICHOLSON

The holding company with interests in property, sports surfaces, conveying systems, optical products, electronics and marine services

21% Increase in Profits

	1983	1984
Sales	£72,319,000	£90,837,000
Pre-tax profits	£7,012,000	£8,520,000
Earnings per share	10.01p	11.53p
Dividends per share	3.35p	3.75p

- * Increase in profits for the tenth consecutive year
- * 15% increase in earnings per share
- * Another year of record profit expected in 1985

Accounts available from the Secretary,
Crest House, Station Road, Egham, Surrey TW20 9NP

Lex realises £35m in plan to cut borrowings

BY MARTIN DICKSON

Lex Service, the automotive and electronic components distributor, is selling its California automotive business and a 50 per cent stake in its fork-lift truck hire plant company in two separate deals realising around £34.5m.

The company intends to use the proceeds to cut its borrowings by around one third. Lex shares rose on the news, to close last night at 214p, up 5p on the day.

The divestments came just two weeks after Lex reported higher 1984 profits but warned that first-half 1985 results would be "substantially worse" largely because of the downturn in the electronics market which has hit its U.S. electronics distribution subsidiary.

Lex is selling Chanslor and Lyon, the California parts distributor, to Cardis Corporation in 1979, to Cardis Corporation in

a deal that will realise about \$31.3m (£27.5m).

It has also sold a 50 per cent stake in Harvey Plant, its fork-lift truck hire company, to Lombard North Central, the finance house for £12,500, the book value of the shares sold. Harvey has repaid to Lex £3.1m of debt, but Lombard and Lex have each subscribed £1.1m in new share capital to Harvey, producing a net £7m improvement in Lex's cash balances.

The purchase price for Chanslor and Lyon will be around \$15.7m but Lex will also collect about \$10.4m of accounts receivables and \$5.2m of secured trade notes.

The business produced operating profits of \$2.4m last year on turnover of \$90m but Lex said yesterday that it had lost money during the U.S. recession and had been regarded as peripheral to the group's growth strategy for some years.

The \$15.7m sale consideration is equivalent to the value of the assets sold, less liabilities being assumed by Cardis, after taking into account a £3.2m extra-ordinary provision in Lex's 1984 accounts. Lex will receive \$8.2m in cash, \$5m in a one-year secured note and \$2.5m in Cardis stock.

Lex said that the proceeds would go to reduce its borrowings in the U.S. while the fork-lift truck deal would help cut its UK debt. Analysts estimate the company's borrowings totalled around £100m at the end of last year giving it a debt/equity ratio of around 60 per cent.

Lex will retain management supervision of Harvey, but Lombard will take on the chairman-ship and thus consolidate the company in its accounts.

Barker & Dobson hit hard by price war

By Charles Batchelor

Barker & Dobson, the confectionery maker and retailer, yesterday blamed its expected 1984 loss of £1.5m on its failure to notice the impact of a price war in cigarettes, toys and fancy goods on its retailing margins.

Barker, which until Tuesday's announcement of the expected loss had been seen as recovering from the problems of the early 1980s, did not discover the disappearance of its margins until after the year end, Mr Bill Kenyon, chief executive, said.

Mr Paul Stewart, group managing director since last July 1983, the previous head of the retail division, and the present chief executive of retailing, Mr Michael Hartley, are to leave the group. A full investigation is taking place, the company said.

Mr Stewart declined to comment on his departure.

Mr Ronnie Aitken, the "company doctor" who handed over the role of chairman to his chief executive, Mr Kenyon, last July is resuming his former position.

ICI bonus scheme helps give chairman 68% pay boost

MR HARVEY JONES, chairman of ICI, the chemicals group, received a 68 per cent increase in total emoluments to £257,261 last year, the annual report reveals.

ICI said the increase reflected the substantially improved performance in 1983, when group pre-tax profits came to £519m, against £350m.

Most of the salary rise came from a performance-related bonus scheme and the rest was an adjustment which took into account a considerable narrowing in the differential between the pay of the executive directors and that of other employees in previous years.

The other seven executive directors (one of whom, Mr Philip Harvey, died last week) received similar increases. UK employees received a 6 per cent pay rise last year.

The accounts shed further light on the sharp increase in last year's profits to £1,030m. Volume of chemical sales rose by 8 per cent but varied widely by geographical area. UK volume was up by 24 per cent, to £1.1bn. European volume increased by

10 per cent and elsewhere in the world by 12 per cent.

Exports were helped substantially by currency movements. The value of exports to Europe was up by 24 per cent to £1.1bn and to other markets by 22 per cent to £1.01bn, with the Far East still the largest non-European market.

Total sales in the Far East were 80 per cent higher and profits were up by almost 50 per cent. Another significant growth area was Latin America, where profits were 50 per cent higher in dollar terms, on sales up only 5 per cent. Profits from overseas subsidiaries were boosted by 57m on translation into sterling at end-1984 rates, in comparison with rates at end-1983.

The report gives further evidence of ICI's emphasis on overseas growth. The group's aim, says the chairman, is to sustain earnings and technological strength in the UK, while increasing them abroad. The number of group employees worldwide fell by 2,000 in the UK, the figure fell by 3,200

Weeks Assocs. cash injection

BY ALEXANDER NICOLL

MR BRIAN NORTH, a former Burton Group and Thorn EMI executive, is taking a 12.6 per cent stake in Weeks Associates, a manufacturer of agricultural equipment and rubber products, and will become its chief executive.

Fieldmarch, a company owned by Mr North's wife, is subscribing to 1.87m new shares at 13p each and County Bank is taking 400,000 new shares at the same price - a 3.2 per cent stake. The injection will provide Weeks with £230,000 after expenses.

Weeks ran into trouble last year and was forced to put its agricultural trailer subsidiary, Weeks Trailers, into receivership.

It was left with two divisions: engineering, which makes root cutting and grading equipment, and a rubber products division, which makes agricultural components, bulk materials handling and electro-mechanical switchgear, and distributes rubber products.

Mr Wilfred Airey, Weeks chairman, who is assuming a non-executive role, said in a letter to shareholders that the cash injection would go some way towards reducing group borrowings. After the cash has been applied to debts, they will represent 97 per cent of net tangible assets of £1.56m, compared with 127 per cent of net assets of £1.44m at present.

Weeks estimated that pre-tax

profits for its continuing operations would be £180,000 in the 53 weeks ended February 3, 1985, compared with £197,000 in the previous year. The latest year's profit excludes a £250,000 pre-tax loss from Trailers and is before extraordinary charges of £1.14m, which include an extraordinary charge of £1.09m from the Trailers receivership.

Mr Airey said the distribution division was making "excellent progress" but prospects for the engineering division were uncertain.

Mr North, 50, was formerly deputy managing director of Burton Group and managing director of Thorn's film production and distribution division.

This is to allow Mr Kenyon to take responsibility for the running of the retail division until a new managing director of that division can be appointed.

Barker said the £1.5m figure was a preliminary indication of its still unaudited 1984 results. In 1983 the company made a profit of £1.7m on turnover of £66.5m and the year had been expecting an increase in profit to about £2m last year.

Price cutting in the cigarette market cut into the normal 10 per cent gross margin made while a more aggressive Woolworths and a push by groups such as Tesco and Asda into the toy and fancy goods market reduced the £500 per cent gross margin made in these products, Mr Kenyon said.

The increase in turnover disguised the disappearance of the net retailing margin of only 2.3 per cent.

BASE LENDING RATES	
A.B.N. Bank	13 1/2%
Allied Irish Bank	14%
Henry Ansbacher	13 1/2%
Amro Bank	14%
Associates Bank Ltd.	14%
Bank of Bilbao	14%
Bank of Montreal	14%
BCCI	14%
Bank of Ireland	14%
Bank of Cyprus	14%
Bank of India	14%
Bank of Scotland	14%
Bank of South Africa	14%
Barclays Bank	13 1/2%
Bank of China	14%
Bank of East Africa	14%
Bank of Middle East	14%
Brown Shipley	14%
CL Bank Nederland	14%
Canada Permanent Trust	13 1/2%
Cayzer Ltd.	14%
Cedar Holdings	14%
Charterhouse Japhet	13 1/2%
Chouhrouh	14%
Citibank NA	13 1/2%
Citibank Savings	13 1/2%
Clydesdale Bank	13 1/2%
C. E. Coates & Co. Ltd.	14 1/2%
Comint Bank N. East	14%
Consolidated Credits	14%
Co-operative Bank	13 1/2%
The Cyprus Popular Bank	14%
Dunbar & Co. Ltd.	14%
Duncan Lawrie	14 1/2%
E. T. Trust	14%
Exeter Trust Ltd.	14 1/2%
First Nat. Fin. Corp.	15 1/2%
First Nat. Secs. Ltd.	14 1/2%
Robert Fleming & Co. Ltd.	14%
Robert Fraser & Ptns.	13 1/2%
Grindlays Bank	13 1/2%
Guinness Mahon	13 1/2%
Hambros Bank	14%
Heritable & Gen. Trust	14%
Hill Samuel	14 1/2%
C. Hoare & Co.	14 1/2%
Hongkong & Shanghai	10 1/2%
Johnson Matthey Bank	14%
Knowles & Co. Ltd.	14%
Lloyds Bank	13 1/2%
Edward Mannes & Co.	15%
Mercury & Sons Ltd.	13 1/2%
Midland Bank	13 1/2%
Morgan Grenfell	14%
Mount Credit Corp. Ltd.	14%
National Bk of Kuwait	13 1/2%
National Westminster	13 1/2%
Northern Bank Ltd.	13 1/2%
Norwich Gen. Trust	13 1/2%
People's Trst & Sav. Ltd.	15%
Provincial Trst. Ltd.	15%
R. Raphael & Sons	13 1/2%
P. S. Refson	14%
Roxburgh Guarantee	14 1/2%
Royal Bank of Scotland	13 1/2%
Royal Trust Co. Canada	14%
J. Henry Schroder Wagg	13 1/2%
Standard Chartered	13 1/2%
Trade Dev. Bank	14%
TCB	14%
Trustee Savings Bank	13 1/2%
United Bank of Kuwait	13 1/2%
United Mizrahi Bank	14%
Westpac Banking Corp.	14%
Whiteway Ltd.	14%
Williams & Glyn's	13 1/2%
Winkfield Secs. Ltd.	14%
Yorkshire Bank	13 1/2%

* 7-day deposits 10 1/2%, 1 month 11 1/2%, 3 months 12 1/2%, 6 months 13 1/2%, 12 months 14 1/2%.

† 7-day deposits on sums of under £2,000 11 1/2%, £2,000 up to £50,000 12 1/2%, £50,000 and over 13 1/2%.

‡ Call deposits £1,000 and over 10 1/2%, 21-day deposits over £1,000 11 1/2%, 3-month deposits 12 1/2%, demand deposits 14 1/2%.

See Provincial Trust Ltd.

GEORGE H. SCHOLES PLC

WYLEX WORKS, WYTHENSHAW, MANCHESTER M22 4RA

Manufacturers of Wylex Electrical Products

INTERIM REPORT

Unaudited results for the half year to 31st December, 1984

	1984	1983
Turnover	£700	£700
Trading profit	12,109	11,152
Income from shares in related companies	1,445	1,383
Other interest receivable and similar income	228	91
Profit on ordinary activities before taxation	1,445	1,383
Tax on profit on ordinary activities	953	824
Profit on ordinary activities after taxation	2,217	1,436
Extraordinary items after taxation	1,264	1,012
Profit after taxation for the period	1,264	1,130
Proposed interim dividend:		
Rate per share	6p	5p
Amount	366	321
Retained profit for the period	678	809
Earnings per share based on profit on ordinary activities after taxation	19.7p	15.7p

The unaudited results for the half year to 31st December, 1984 are shown above. The above figures indicate a satisfactory first half trading and we would expect a continuation of the present level of activity and performance. The directors have today declared an interim dividend of 6p per share payable on the 15th May 1985 to shareholders on the register at 4th April 1985.

G. R. C. McDowell, Chairman
20th March 1985

KENNING MOTOR GROUP p.l.c.

Distributors and Retailers of Cars, Commercial Vehicles, Petroleum Products and Tyres. Specialists in Service and Parts, Long Term Contract Hire, Car and Van Hire, Bodybuilders, Manufacturers of Electric Vehicles, Road Tank Vehicles and Remoulded Tyres. Operators of Motorway Service Areas, Insurance Brokers and Travel Agents, Developers and Retailers of Leisure Property.

Year Ended 30th September 1984	1984	1983
Turnover	372,228	326,381
Profit before Taxation	7,536	11,747
Dividends Distributed	2,796	2,533

Shareholders Funds £73.9m (Issued Capital and Reserves)
Fixed Assets £49.2m
Number of Shareholders 3,924
Value of Group's Properties £35.0m

Capital Employed £92.4m
Net Current Assets £19.5m
Number of Employees 5,989
Number of Apprentices 40

Copies of the 1984 Report and Accounts may be obtained from the Secretary, Manor Offices, Old Road, Chesham, Bucks.

KENNING MOTOR GROUP p.l.c.

Mackay Carpets

Manufacturers of Durham Carpets

Results for the year ended 31st December 1984

	1984	1983
Group Sales — UK	£9,524	£7,255
— Overseas	5,167	3,852
	14,691	11,107
Profit before tax	659	361
Extraordinary profit (Sale of surplus land)	289	—
Earnings per share	8.31p	4.91p
Dividend per share	4.60p	4.00p

- Volumes increased 21% both at home and abroad. Exports were 35% of sales with notable advances in Europe.
- Hugh Mackay Carpets Inc was established in New York to control the development of our trading future in the U.S.A.
- Special Products division in its first full year expanded its "non-woven" product range and traded profitably in the second half.

Hugh Mackay plc,
Dragon Lane, Durham City DH1 2RX

Maunder's homes for good living

Interim Profit Statement for the 6 months ended 31st December 1984

Turnover up 38%
Pre-tax profit up 31%

Announcing record results, Chairman John Maunder says:

"With forward sales 32% up on last year we look forward to reporting satisfactory trading results for the full year."

	1984	1983
Turnover	£8,788	£6,366
Profit before Tax	936	710
Taxation	(442)	(334)
Minority Interest	(42)	(—)
Profit after Tax	452	376
Earnings per share	7.6p	6.3p
Dividend per share	2.25p	2.0p

John Maunder's Group plc
Development House, Crofts Bank Road,
Urmston, Manchester M31 1UH.

Morland sells leasing side

Morland and Co., a brewery, has agreed to sell its equipment leasing business to PEP Investments (UK), an indirectly wholly-owned subsidiary of the Swedish bank Post Oden Kreditbanken, Pkanden.

The shares are to be sold for a nominal consideration, but the deal will result in Morland Leasing repaying its parent around £2.7m, the balance due to Morland on an inter-company loan account.

The sale will allow Morland to refocus its business on the current financial year, amounting to an extraordinary contribution to profits of around £170,000.

Manganese Bronze disposes of gun-making operations

Mr James Edmondson, former owner of sub-machine gun maker Sterling Arms Company, is returning to the firearms business by taking over the operations in Birmingham's BSA Guns from Manganese Bronze Holdings.

BSA Guns is one of Britain's biggest manufacturers of rifles, producing air and sporting models. About half its products are exported, and Mr Edmondson aims to increase this proportion.

Mr Denis Poore, chairman of Manganese Bronze, said the company was selling the gun-making operations to Mr Edmondson, a BSA brand-name—because they were

not part of its mainstream operations. It is a metal components and foundry group and produces the London taxicab.

Manganese Bronze will receive £571,000, including consideration for the sale of plant. The deal will produce a surplus over book value of £230,000 and will improve liquidity by about £750,000.

BSA Guns had a net profit before tax and extraordinary items of £268,000 in the year ended July 31 1984 and a small loss in the first half of the current financial year.

Mr Edmondson, who sold Sterling in 1983, aims to expand the range of air rifles produced by BSA.

Baynes in over £1m purchase

Charles Baynes, which has been rapidly diversifying from hacksaw blade manufacturing into the cleaning and textile rental industry, is buying Greve, a London-based tablecloth and napkin hire service, for an initial £950,000, with up to a further £650,000 payable depending on profits performance over a period of 18 months.

Mr Denis Poore, chairman of Manganese Bronze, said the company was selling the gun-making operations to Mr Edmondson, a BSA brand-name—because they were

shares, which will represent 9.8 per cent of the enlarged share capital. The company said the purchase was a strategic extension of its textile rental and garment cleaning activities in the London area.

Baynes made a one-for-two issue last October, raising £1.8m to fund two other acquisitions in the textile rental and cleaning business.

COMPANY NEWS IN BRIEF

Yearling bonds totalling \$5.5m at 121 per cent, redeemable on March 26 1986, have been issued by the following local authorities: Daventry District Council; Daventry DC £0.5m; Hillingdon (London Borough of) £1m; Dwyford DC £0.5m; Tisbury DC £0.5m; Braintree DC £0.5m; Chester-Le-Street DC £0.25m; Cummock & Doon Valley DC £0.5m; Eastbourne DC £0.5m; Newcastle-upon-Tyne (City of) £1.5m.

AS EXPECTED, manufacturer of business forms and equipment James Wiles has achieved a substantial increase in profits for 1984. The dividend is stepped up from 4.32p to 6p net per share, and there is to be a 1-for-4 share issue.

Second-half profits have come to £474,000 to push up the year's total from £152,000 to £726,000, on a turnover which rose from £5.24m to £5.81m. The final dividend is 4.5p.

Acceptances totalling 24.45m (43.8 per cent) of the new preferred ordinary shares in the Lyle Shipping rights issue have been received. The balance of

31.64m has been allocated to the underwriters.

Acceptances for the rights issue of DPCC Holdings total 1.89m (90.3 per cent) new ordinary shares. Shares not taken up have been sold for the benefit of shareholders who did not take up their entitlements.

Bestwood, an investment holding concern, returned lower taxable profits of £234,182, against £278,703, for the year to end-December 1984.

There have been a number of board changes since the year end. Mr Tony Cole, who has become chairman, will outline his plans for Bestwood at the AGM on April 22.

Tax for 1984 was £77,607 (£85,986), leaving net profits of £156,575 (£102,707). Earnings per share rose from 12.35p to 10.04p—a single interim dividend of 6p (7.5p) has already been declared.

Although Star Computer Group interim results show a dive into pre-tax losses of £393,000, against profits last time, they intend to declare a dividend for the 14-month period equivalent to the 2.5p net paid last time.

Company Notices

GENERAL MOTORS CORPORATION

Further to the DIVIDEND DECLARATION of 20th February, 1985, NOTICE is now given that the following distribution will become payable on and after 15th March, 1985, against presentation to the Depositary (as below) of Claim Forms Issued Bearer Depositary Receipts.

GROSS DISTRIBUTION	6.25 CENTS
LESS 15% U.S. WITHHOLDING TAX	0.9375 CENTS
	5.3125 CENTS PER UNIT

CONVERTED at 1.092 = 4.86492 PENCE PER UNIT

Barclays Bank PLC
Securities Services Department
54 Lombard Street, London, EC3P 3AH

Erskine House has agreed to acquire Slater and Lancaster Print Services. The two companies, which were owned by the same shareholders, sell and service Recoh and Minolta copiers and offset auto printers in North-West England and West Yorkshire.

The initial price is £100,000, payable in cash and a further cash payment may be made in 1987, to bring the total consideration up to three times the average annual pre-tax profits achieved in the two years to March 31 1987.

At the annual meeting yesterday of Securguard Group, which provides office cleaning and

YEAR END PROFITS UP 21%

Year Ended	December 1984	December 1983	Increase
Turnover	£3,496	£2,669	+31%
Profit before tax	1,428	1,184	+21%
Earnings per share	29.32p	24.92p	+18%
Dividend (net)	7.35p	6.00p	+23%

"We enter 1985 ready to face the uncertainties and to take advantage of the opportunities of the year ahead."

Derek Bryant
Chairman

DEREK BRYANT GROUP p.l.c.

38 Botolph Lane, London EC3R 8DE

And at Lloyd's

The comparative figures for the year ended 31st December 1983 have been restated to reflect the acquisition of I.R. Stock & Company Limited during the year in accordance with Merger Accounting Principles.

At the annual meeting yesterday of Securguard Group, which provides office cleaning and

New Acquisition

£17,000+Reloc.

25-30 Cornwall

The chance to be part of a multi-national, in a line role, in a new venture. Canon Consolidated, RTZ's Cornish mining subsidiary, dominate the UK tin mining industry and this is their largest single investment since inception.

The job embraces responsibility for accounting/management information, administration, DP/Systems, purchasing and inventory. Controlling the small team, you will be responsible for all site finance matters and be a member of the site management team.

You are a qualified ACA, ACMA, or ACCA and may still be in the Profession. You offer commitment and seek early responsibility. You demonstrate a good track record to date.

Applicants should write, enclosing a comprehensive c.v., to Adrian Wheale ACMA, ACIS, at Michael Page Partnership, St. Augustine's Court, 1 St. Augustine's Place, Bristol BS1 4XP, quoting ref. B8028.

RTZ

Canon

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

How companies gain from incentive schemes

BY MICHAEL DIXON

"IT'S easy for folk like you to bang on about the key to management being motivating people better. But to someone in my position, it can have its costs," you know, said the grizzled managing director when I first started writing about management nearly 18 years ago.

"For one thing, the higher your people's motivation, the more likely they are to run out on you and work for somebody else," he added.

Being then convinced of the omnibenevolence of greater motivation at work, I thereupon silently pooh-poohed his objection as typical of the petting, rigid sort of thinking brought on by advanced age. (At the time he must have been about as old as I am now). But it looks as though I may owe him an apology.

The reason lies in the accompanying table. It is drawn from a survey published by Inbucon Management Consultants this very morning of executive incentive schemes operated by companies in the United Kingdom.

Of the 248 organisations questioned, 88 had no such schemes. But their growing popularity is suggested by the fact that one in every three of those organisations plans to introduce some form of incentive in the next 12 months. On the other hand one in seven had previously tried a scheme and scrapped it, often mainly

because of "poor financial results".

The other 160 companies, with turnovers ranging from under £1m to £500m-plus, had a variety of incentives. Several used more than one kind. Most covered directors and senior executives alike. Incentive bonuses topped the poll, followed by profit-sharing, executive share options, and save-you-earn (SAYE) share schemes. In 95 per cent of cases, the incentives were viewed as at least partly living up to expectations.

All my table shows is how the companies felt they were mainly gaining from their chosen schemes. Anyone wanting more information from the survey should contact Inbucon's Ken Schwarz at 157, Knightsbridge, London SW7 1RN; telephone 01-584 6171.

Eight main benefits were cited. They include improvements in participants' achievements of targets, awareness of costs and profits, commitment to the business, co-operativeness, and motivation. The other three are increases in the company's profitability and scope to reward individual contributions, and success in retaining crucial staff. Some companies said they had gained in more than one way.

The table's left-hand block of four columns of figures take the various schemes in operation, and break them down into the four most popular forms. The right-hand block lumps all kinds of schemes together, and breaks them into sub-lumps according to how long they have been in use.

Reading down the table, I start each column with the number of companies involved. Then I show the percentage of

that number claiming each of the main benefits. That seemed the best way to express the comparison even though the samples of companies are mostly small.

One surprise for me occurs because the reason I've heard most often cited for introducing incentives is that they are needed to keep key executives from being lured away by the blandishments of thriving young businesses heading for a market quotation. Yet the table shows that retaining crucial staff is the least successful outcome of the schemes.

Since the most successful outcome in general is increased motivation, it seems there may be justice in the comment of the grizzled managing director I met (and last mentioned) so long ago: "the higher your people's motivation, the more likely they are to run out on

you and work for somebody else."

Sorry, Stan. In those days I was green and merely middle aged.

Retail flair

CANADA will be the base of the fair-fair and ceaselessly ob-servant retail director being sought by headhunter Allen Davis on behalf of an international footwear group. As he may not name his client, he promises to abide by any applicant's request not to be identified to the employer for the time being.

The newcomer will be on the staff side, responsible immediately to the operations director who in turn reports to the chief executive. Directly below the chief on the line side are a dozen sub-chiefs each in charge of a particular region of the world, and reporting to them are umpteen sub-sub-chiefs each responsible for the group's operations in an individual country.

The recruit's prime task will be to advise the different regional and country chiefs on developing trends in retailing which are likely to affect their operations, so that wherever possible they can be prepared for what would otherwise seem bewildering changes of buying fashions in their kind of trade. Candidates must therefore be up to the minute and universally knowledgeable in all aspects of successful retailing strategies

and tactics, from shop design to security systems. Proven ability to create, develop and carry through new concepts in retailing comparable goods is essential.

Salary equivalent to about £20,000. Perks negotiable. Inquiries to Allen Davis at IBC House, 1 Mortimer Street, London W1N 7RH; tel 01-637 5277, telex 299230.

Small businesses

RECRUITER Paul Lichtin of the TAL consultancy seeks a deputy chief executive for the Council for Small Industries in Rural Areas, working from Salisbury. CoSIRA provides advice, funding and so on to small businesses—about 18,000 currently—dotted about the countryside. Its 350 staff work through 35 branch offices.

Candidates should have professional standing as well as general management experience and familiarity with the needs and complexities of small companies. Effectiveness at persuasively getting scattered staff to work in cohesion is essential.

Salary bracket £16,229-£21,834. While not part of the Civil Service, CoSIRA has similar job conditions, including index-linked pension scheme. Inquiries to Mr Lichtin at 232 Portland Rd, London SE22 4SL; tel 01-656 8323.

NMW COMPUTERS p.l.c.

require for their Clients' Implementation Department, based in London, a young ambitious

Stock-broker's Clerk

with good knowledge of Stock Exchange, settlement and Back Office procedures. The position offers an attractive salary.

Apply in confidence to: P. Black, NMW Computers p.l.c. Stapleley House, London Road Nantwich, Cheshire, CW5 7JW.



Offshore Unit Trusts Institutional Sales

Our client is a leading Investment Management Group which controls a wide range of specialist Offshore Unit Trusts. It concentrates particularly on the Hong Kong and Japanese markets, where its reputation is very strong. It is now seeking a salesman/woman to cover the UK and Europe. Ideally you will be in your mid/late 20's and will be working for a similar institution. Alternatively you could be with a major stockbroker or fund manager. The appointment, which is based in the City is part of an

aggressive expansion programme. The terms offered, which include a comprehensive range of benefits as well as a bonus, will be geared to the needs of the right candidate. Please send a detailed c.v., including contact telephone numbers, in strict confidence to Peter Wilson FCA at Management Appointments Limited (Search and Selection Consultants), Finland House, 56 Haymarket, London SW1Y 4RN. Tel: (01) 930 6314.

MAL
Management Appointments Limited

Major Investment Company

Investment Managers

Due to continued expansion, our Clients, one of the largest forces in the investment scene, have asked us to help them to fill two new vacancies:

U.K. Fixed Interest

We seek a senior fund manager to join a newly formed team specialising in fixed interest fund management. Although the management of pension funds will be the manager's prime responsibility, the team will also be managing life assurance company and unit-linked funds. The successful applicant will probably be a graduate, who has spent at least three years managing gilt-edged and other UK fixed interest funds. The team will be developing its own analytical and administrative computer programmes, and some experience with personal computers would be an advantage.

Quantitative Research

We seek an able specialist to lead the development of computerised financial models at both stock and market level. The appointment will appeal to someone with an MSc in econometrics/operational research plus experience of financial analysis. Initially the work will concentrate on the UK market, but the successful candidate will need knowledge of the overall investment scene, together with the ability to lead and motivate.

The remuneration offered is generous and negotiable and will take into account the importance of these positions to our Clients. In addition there are the normal banking benefits including an assisted mortgage.

Please write in the first instance to Keith Fisher, quoting Ref. 627, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Leading Merchant Bank

Deputy Head of Administration

Our Client, a major Accepting House, wishes to appoint an exceptional person to take on an essential organisational role within the bank commencing as deputy to the Head of Administration.

Initially the specific areas under his/her control will include responsibility for all administrative Budgets, Debtor Control and Capital Projects, Post, Communications, including Specialist Communications, certain Group Printing responsibilities and Catering Services. A considerable degree of inter-departmental liaison will be an integral part of the job.

The successful candidate will probably be in their mid to late 30's, and will have considerable experience of administration, preferably gained within a banking environment. He/she will be expected to work to tight deadlines and to display good management and leadership ability. It is probable that the person appointed will have been educated to university or at least 'A' Level standard and may have an accountancy background or a banking qualification. Experience in O & M or computer operations would be useful but not essential.

The position will appeal to someone who is looking for a challenge and who is willing and prepared to take on an increasing share of responsibility. A good salary is offered, plus the normal Merchant Banking package, including a car and assisted mortgage.

Please write initially in confidence to Colin Barry, Senior Partner, quoting Ref. 628, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

INTERNATIONAL BANKING

A-FORFAIT: ASST. VICE-PRESIDENT £negotiable

Our client, a major US bank, wishes to appoint an Assistant Vice-President to its Middle East and Africa Group. The successful candidate will be responsible for all aspects of A-Fortuit marketing. Candidates should be aged in their late 30s to early 40s, with considerable experience in the A-Fortuit market including secondary market activities and the relevant documentation background.

SYNDICATIONS: VICE-PRESIDENT ££30,000

Our client, a major international bank, wishes to appoint a Vice-President to be responsible for a unit developing new sources of income from the underwriting of bank notes in connection with the syndication of new issues. The successful candidate will be aged in their late 30s to early 40s, with at least 5 years' experience of syndication, including secondary market activities and the relevant documentation background. Contact: Leslie Byrnes.

U.S. FUND MANAGER £30-40,000

We are recruiting for an international investment management company associated with one of the world's leading banks. The company intends to appoint an additional Senior Fund Manager to play an active role in the management of very substantial funds, principally in the U.S. market, both Fixed Income and Equities. The successful candidate should have at least 10 years' fund management experience in significant financial institutions and a proven track record in managing funds. In addition to the salary indicated, the fringe benefits are those to be expected at a similar level in a prime banking institution.

SWAPS MARKETING £30,000+

An international financial institution of a prime commercial bank, is preparing to appoint an individual to work at senior level within the Corporate Finance team marketing Eurobond issues and equity issues. The bank is embarking upon a major expansion programme, to which the successful candidate will be expected to contribute in either the marketing or execution of swaps. The successful candidate will have a proven track record in swaps marketing, and will have the opportunity of making a highly visible contribution. Our client wishes to attract the best available talent in the market, and is prepared to negotiate a remuneration package accordingly. Contact: Ken Anderson.

PORTFOLIO MANAGER c.£25,000

Our client is the highly successful investment management subsidiary of a prime US bank. As a result of continued growth of managed funds, the bank intends to appoint an additional Portfolio Manager. Working with a small team, the appointee will be responsible for managing fully discretionary funds on behalf of major institutions, and developing the bank's fund management policies. Candidates should possess a proven track record in portfolio management and experience of managing funds in a prime banking institution. Contact: Felicity Hether.

SMALL BUSINESS LENDING £18-23,000

Our client is a long-established British merchant bank enjoying a reputation for the strength of its advisory and lending services to small and medium-sized companies. The bank is currently appointing a Deputy Head for its Small Business Lending Department, which is responsible for commercial lending and corporate finance facilities. This senior position offers an opportunity for a highly motivated individual to develop a key role in the bank's expansion. Our client wishes to attract the best available talent in the market, and is prepared to negotiate a remuneration package accordingly. Contact: Felicity Hether.

FUTURES/ OPTIONS TRADERS Major Banks

We have an unusual recruitment brief from two large international banks increasing their presence in the international money markets. Each bank is moving towards a profitable trading strategy that reflects the strength of its balance sheet, and is keen to attract highly capable candidates trading in the respective financial instruments markets, particularly Currency Options and Futures. For the right candidate, there will be the opportunity to build on an already successful trading function in a major international bank.

NEWLY-QUALIFIED ACCOUNTANTS min.£16,000 + benefits

A number of our international banking clients wish to recruit newly-qualified accountants to enter project and audit-based positions. Typically, they involve business review and trouble-shooting roles to some of the most exciting areas of banking, particularly within Treasury and Capital Markets. These opportunities are presently viewed as a "jumping off point" to fast-track training, career, and other options. If you are keen to see your qualifications in a broad "business" sense should consider these options seriously. Contact: Kevin Byrne.

Anderson, Squires, Bank Recruitment Specialists
Blomfield House, 85 London Wall, London EC2

01-588 6644 Anderson, Squires

Director

Institute of Manpower Studies

The Director of the Institute, Dr Clive Purkiss, is leaving to take up an appointment as Director of the European Foundation of the EEC.

The Institute, which employs directly about fifty people and which is totally independent, has established an international reputation for objective work on employment policies and the management of change. A new director will have the opportunity of building on success and leading the Institute into the next phase of development. Salary will be £30,000 a year, and a car is provided.

For further details write to Alan Swinden, IMS, Mantell Building, University of Sussex, Brighton BN1 9RF. Closing date for applications 12 April 1985.

IMS
INSTITUTE OF MANPOWER STUDIES

DISTRICT GENERAL MANAGER

WAKEFIELD HEALTH AUTHORITY

The Wakefield Health Authority is seeking a District General Manager to lead its organisation.

New arrangements are being established following a Government Inquiry into NHS management. The major objective is to deploy available resources to optimum effect in support of health and patient care. The District General Manager will be personally accountable to the Health Authority for the implementation of plans and the management of existing resources in the most effective way, and will lead the top management team in the organisation.

The District Health Authority is currently appraising its major strategies for the delivery of health services. Priority will need to be given to improving care for the elderly, the mentally ill and the mentally handicapped as well as exploiting to the full advances in modern acute medicine. This represents one of the most exciting challenges in management today.

The District is mainly urban and is centred on Wakefield, which is the administrative headquarters of West Yorkshire. The population of the District is 142,300 and the current revenue allocation is £39m.

Candidates will need to possess high qualities of leadership, be able to demonstrate a proven record of successful management in a large organisation and have the ability to manage change and control large budgets. Initially the appointment will be for a fixed period of three to five years and will be extendable thereafter by mutual agreement. Remuneration and conditions of service will be negotiable, subject to experience.



Yorkshire Health Region

Detailed applications should be submitted to the Chairman: Sir Jack Smart CBE JP, Wakefield Health Authority, Wood Street, Wakefield WF1 2HN by 4 April 1985. They should be marked "In Confidence - District General Manager Appointment". Further particulars will be sent on request.

SOLICITOR/ATTORNEY

To serve as European copyright litigation specialist for American film industry. To be based in London with extensive European travel. Must write and speak fluent German and English (Dutch and Spanish a strong +), and ideally have some law firm or corporate international experience. Background in intellectual property field recommended. Please send résumé to Box A.8946, Financial Times, 10 Cannon Street, London EC4A 4BT.

Investment Banking France

In line with its continuing success and growth in the international capital markets, Bank of America International Limited is seeking a Senior Executive for a new appointment within its New Issues Group.

Based in London, the position carries business development responsibility for the buy side of the Bank's new issue business with specific emphasis on marketing its investment banking products in France.

Applicants should have at least 4 years' experience of the buy side of new issues in both fixed and floating rate markets together with a strong marketing orientation. An innovative approach to the development of new products and proposals as well as experience in the execution of transactions is essential.

The successful candidate will be fluent in French, will hold a degree or professional qualification and should have the ability to operate within a worldwide investment and commercial banking network.

Write with full personal and career details to Peter Cole, Bank of America International Limited, 1 Watling Street, London EC4P 4BX, or telephone 01-634 4660 for preliminary discussions.



BANK AMERICA CAPITAL MARKETS GROUP

Petroleum Negotiations Representative

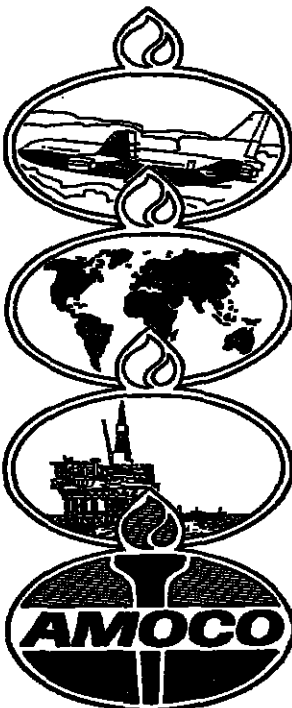
The Negotiations Department of Amoco Europe and West Africa, Inc (a subsidiary of Standard Oil Company, Indiana) is responsible for co-ordinating the activities of Amoco's negotiations with Governments and other Companies in connection with the acquisition, maintenance and disposal of oil and gas exploration and production rights in Europe and West Africa.

We are seeking to expand our negotiations staff by the recruitment of an additional negotiator. The ideal candidate would be a young Lawyer, experienced in the field of oil and gas exploration, preferably with a working knowledge of French. Prior negotiating experience is not essential but candidates should have an interest in developing a career in negotiations.

Applications from candidates without previous oil and gas experience will be considered if they can otherwise demonstrate their suitability. We expect the position to be filled by a candidate who regards foreign travel as a plus.

A first class salary will be offered commensurate with experience. Benefits and conditions are those normally associated with a multinational company. Comprehensive assistance with relocation expenses will be provided where appropriate.

Please write with full details to Mrs. L. T. Nee, Employee Relations Amoco Europe & West Africa Inc, Amoco House, 1 Stephen Street, London W1P 2AU.



Managing Director (Designate)

£35,000 + prestigious benefits

This appointment is with a £25m subsidiary of one of the UK's most successful and diverse groups. In planning for the eventual retirement of the current Managing Director of the company - which is in the oil service sector - a successor is now to be appointed.

While gradually assuming total profit responsibility, the person appointed will also be charged with the task of developing the business in new markets with existing products - which are successful - and with new concepts as identified in this continually expanding technologically innovative industry.

Ideally aged between 35 and 42, you should be a graduate engineer, with extensive experience of,

initially, design engineering and large scale project management in the offshore oil industry, followed by a move into general management - where financial responsibility and business development have been part of your remit.

Salary for this post will be negotiable around £35,000 and there is an excellent profit related bonus scheme which could greatly increase your earnings. The support benefits accurately reflect the status of the appointment.

Write or telephone for an application form or send detailed c.v. to R.J. Cleland, quoting ref. ES68/556/FT on both letter and envelope.

No details are divulged to clients without prior permission.



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Telephone: 041-221 3554 Telex: 779148

Information Services International Merchant Banking

£18,000 - £25,000 +
Substantial Bank Benefits

City

Our Client is one of the leading International Merchant Banks both in the City and overseas. The Company is undergoing a radical revision of its Information Services Department to meet progressive medium and long term strategic business plans, which take account of the rapidly changing environment in the financial services sector.

An exciting opportunity exists within the Systems Development Group for Business Analysts who can contribute to and influence the formulation of Information Technology strategies and their relation to overall business plans. Suitable candidates should be graduates, with significant experience in the financial services sector, preferably including direct involvement in some or all of the following areas:-

Accounting • Banking • Capital Markets • Investment • Treasury

Essentially they will be familiar with current IT trends and will be capable of relating these to business needs, and so identify opportunities to enhance the Company's profitability and competitiveness.

To arrange an initial interview please contact John Pitt, who has been retained as the Advising Consultant, on 01-935 0671, or write enclosing a CV to SCR's London office at the address given below.

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European Analysis

Paris

c£25,000

Our client, a small research house based in Paris, generates exceptionally high quality research products on several European Markets. They now seek a high calibre investment analyst to play a key role in the company's further development.

Probably aged 27 to 33, the ideal candidate will have had several years experience of investment analysis, preferably within European Markets. Knowledge of European languages will be useful and although written material will be produced in English, fluency in French is essential, as is the ability to effectively interview senior company directors and quickly establish a rapport with them.

The successful individual, who will be self motivated and capable of operating in an autonomous capacity, will report direct to the Chief Executive and initially specialise in French and Swiss companies, but will also be involved in the development of further markets. There is scope for the right person to achieve a board level promotion.

Remuneration will be made attractive to the right individual and full relocation assistance will be provided.

Please contact Stephen Embleton, Investment Division, 23 Southampton Place, London WC1A 2BP, telephone 01-404 5751. Strictest confidentiality is assured.



Michael Page Partnership

International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

BANK OF ENGLAND ECONOMICS DIVISION

The Economics Division of the Bank of England has vacancies for two economists, with strong quantitative skills, probably in their late twenties. They will join a team of some forty economists engaged in policy analysis and research related to the economy and financial system of the United Kingdom. Preference will be given to candidates with experience of macro-economic models, or of international economics, particularly exchange rates and international capital flows.

Appointments will be on contracts of two or three years. Salaries will be negotiable, depending on age and experience, but are unlikely to be below £10,000.

Application forms are available from: C.T. Taylor, Economics Division, Bank of England, Threadneedle Street, London EC2R 8AH (or by phoning: 01-601 4818 or 4832).

They should be returned by Thursday 4 April together with any relevant examples of work.

BANK OF ENGLAND



Inter-Selection Insurance Recruitment

Credit Insurance Manager

City/South of England

c £17,000 + Car

We have been retained by a major international insurance brokers to recruit an experienced and dynamic manager to head and motivate a small, professional credit insurance team.

The post presents a unique opportunity to spearhead the planned expansion of an existing operation. It is therefore essential for candidates to demonstrate a successful development record through a proven ability to negotiate convincingly at the highest levels.

This is an ideal opening for an applicant aged 27-40, with extensive knowledge of both domestic and overseas credit insurance.

Salary will be negotiable and in addition the position will carry a company car, non-contributory pension scheme and free healthcare insurance.

Write to or telephone in strictest confidence:-

Tony Normile Managing Director,
Inter-Selection Insurance Recruitment (Southern) Ltd.,
New Zealand Insurance House,
118/119 Fenchurch Street, London EC3M 5BA.
Tel: 01-626 8021

STATISTICIAN/ BUSINESS ANALYST

CIRCA £13.5 K

SOUTH COAST

The Frizzell Group is one of the country's leading insurance broking and financial services groups with offices throughout the UK and growing international interests. Statistics and O.R. techniques will play a vital role in furthering the Group's activities in the rapidly developing market for personal financial services.

The Group operates a very large private motor insurance account placed in the Lloyds market. Statistical analysis is recognised as a fundamental management tool for maintaining the underwriting profitability and price competitiveness of the account. We are looking for an experienced statistician to provide the technical analysis and interpretive skills to support this key activity.

Forming part of the Operations Research Department the Statistician will also provide statistical and analytical support to a wide range of other activities, including business planning, market research, financial modelling and management information systems design.

Applicants should be graduates in Statistics, Mathematics or Operational Research with several years' relevant experience of the application of statistical techniques in a commercial environment, preferably within the financial services industry. Good oral and written communication skills will be necessary.

The company offers excellent terms of employment including free private medical cover, health insurance and preferential pension arrangements. Comprehensive relocation assistance will be provided where appropriate.

FRIZZELL

Please write in the first instance with C.V. to: S.M. Woolridge, Personnel Manager, Norman Frizzell Motor & General, Frizzell House, County Gates, Poole BH13 6BH.

INVESTMENT ANALYSTS

General Accident has vacancies in the Investment Department for Investment Analysts.

Ideally, candidates will have several years experience of analysis in stockbroking, banking or other financial institutions and be able to display a sound knowledge of the UK equity market. Consideration will also be given to candidates at an earlier stage of career development who are now ready to move into a more demanding position.

Starting salaries will depend upon experience; in addition, an attractive benefits package is offered including pension and sickness schemes and house purchase facilities. The posts are based at General Accident's World Headquarters in Perth, Scotland.

Write in the first instance, giving brief details of career, qualifications and present salary, to:

The Staff Manager (Head Office)

General Accident, Pitheavlis, Perth PH2 0NH



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R.P. Martin are looking for some of the best brokers in the business to join their Commercial and Local Authority departments. Specifically we require experienced dealers for the local authority, commercial, building society, interest rate swap and special finance sectors of the market.

We recognise that our staff are our most important asset. For that reason we're prepared to reward experience, commitment and above average ability with the remuneration and exceptional long term career prospects which only an international money-broking company as profitable and broad-based as ours can offer.

If that sounds like the kind of deal you think you deserve and if you're confident you can convince us you're worth it too, please either telephone Mr Robert Spragg on 01-600 8691 or write with a full c.v. to Miss Helen Forrest, R.P. Martin p.l.c., 4 Deans Court, London EC4V 5AA.

EQUAL OPPORTUNITIES

British Railways Board has a firm policy to apply equal opportunities for recruitment, terms of employment and progress throughout the industry. It wishes to ensure that the policy is fully effective and requires a Project Manager to assist in the initiation, promulgation and monitoring of action implementing equal opportunities.

Applicants must have a sound knowledge and understanding of the industrial environment and awareness, and experience of the issues involved. A conviction about the principles and attitudes to be applied is required together with an ability to inspire and influence managers, staff and Trade Unions to make the changes necessary.

Salary to be negotiated.

Applications should be addressed to:
Managing Director, Personnel, British Railways Board, Rail House, Euston Square, P.O. Box 100, London, NW1 2DZ, to arrive by 2nd April 1985.

SCHRODER FINANCIAL MANAGEMENT LIMITED

FINANCIAL CONSULTANTS

Schroder Financial Management Limited are seeking to back individuals, with latent entrepreneurial ability, residing in South-East England.

An attractive package comprising training, financial and logistical support will be made available in the successful development of the consultants' own financial services practice. In the first instance write in strictest confidence to:

The Manager, Regional Centre
Schroder Financial Management Limited
Miller House, 43-51 Lower Stone Street
Maidstone, Kent ME15 6LN

ENTREPRENEURIAL ACCOUNTANT £18,000

Imagination and flair are the prime requisites to assist in the development of capital markets. A qualified Accountant who has 1/2 years' corporate tax experience is essential, as you will be involved in bringing together both lenders and borrowers in both the U.S. and Far East markets.

EUROBOND SUPERVISOR £14,000

American merchant bank requires a Senior Settlements person who is looking for a challenging management role. As assistant to the Manager you will be supervising your own section and deputising in his absence. Age 25/22 with approximately 5 years bond settlements experience. Mortgage and bonus are offered.

ACCOUNT OFFICER £13,000

Major merchant bank requires an ambitious graduate with approximately 18 months' corporate credit analysis. Working on international portfolios you will be expected to research and assess new business and market to multinational clients.

EXECUTIVE—LOANS ADMIN £10,000

Expanding merchant bank requires a Senior Loan Administrator for a newly established department. The successful candidate will concentrate on establishing a department, together with a wide variety of tasks. Solid special transaction administration including a wide variety of tasks. Solid domestic experience, together with A.I.B. and A.I.S. are required. Ability to manage staff and contribute to the general development of the section are essential.

FOR FURTHER DETAILS OF THESE AND
OUR OTHER CURRENT VACANCIES PLEASE CALL
MIKE BLUNDELL JONES on
01-234 1113 (24 hours)
PORTMAN RECRUITMENT SERVICES

Morgan Grenfell & CO. LIMITED

Institutional Sales & Research

We are seeking an institutional sales executive and a research analyst to join the International Dealing Company of Pinchin, Denny & Co., shortly to become part of Morgan Grenfell Securities Ltd.

The successful candidates are likely to have had at least two years' experience in international equities and will also be fluent in two or more European languages including English.

Remuneration will be based on experience and will include such benefits as a preferential mortgage scheme, non-contributory pension, BUPA etc.

Applications, including brief details of career to date, should be sent to:

P. M. Lefevre, Head of Personnel, Morgan Grenfell & Co. Limited,
23 Great Winchester Street, London EC2P 2AX.

On your way up in Financial Management?

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£18,000 p.a. + car

Midlands

Our client is a blue chip international manufacturing group with a wide variety of interests in consumer and industrial markets, operating through a large number of subsidiaries in the UK and abroad.

The provision of effective financial and management systems is vital to continued success and profitability.

An equally important commitment to management development has resulted in promotions to senior financial positions for a number of high calibre Accountants, which in turn have created outstanding career opportunities to join a highly professional team.

In an environment where extensive use is made of computers, you will be responsible for reviewing the effectiveness of financial and management control systems covering all aspects of the Group's activities. This will involve travelling throughout the UK and occasionally overseas.

Aged around 30, you will have gained several years' experience in a senior management role since qualifying as an Accountant, and will have demonstrated your analytical and problem-

solving skills in the assessment and development of financial procedures and controls. You will need the ability to work and communicate effectively at senior levels.

On offer is an excellent salary with £18,000 p.a. as a guide, together with a company car and a first class range of large group benefits including private medical insurance and relocation assistance, if appropriate. More important are the excellent prospects for your career advancement.

Please write with full career history to: Confidential Reply Service Ref: ABO 871, Austin Knight Advertising UK Limited, Tricorn House, 51-53 Hagley Road, Birmingham B16 8TP.

Applications are forwarded to the Client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

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Advertising**

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to join a highly successful team in their Fixed Interest Department. Previous Gilt/Fixed Interest experience is preferable but not essential. Starting salary will be competitive and there are excellent prospects for career progression.

If you think you might be interested, please write in confidence, with details of career to date, to:-

D. Schnitten,
James Capel & Co.,
Winchester House,
100 Old Broad Street,
London EC2N 1BQ.
Tel: 01-588-6010

CAPITAL MARKETS

Eurobond Trading Trainee

Toronto Dominion International Limited, the merchant banking arm of the Toronto Dominion Bank Group, is seeking a young trainee, preferably a graduate, with two or three years' merchant investment banking or stockbroking experience and a strong interest in developing a Eurobond trading expertise.

The position would be involved in early direct interaction in the professional market and client base as part of a rapidly expanding team. The successful candidate will be able to demonstrate strong interpersonal skills and an ability to work under pressure within a team structure - excellent potential exists to specialise in the Capital Markets area or to move into Corporate finance and account management after three or four years.

A fully competitive salary and benefits package will be offered.

Qualified candidates should forward a CV to Mark Heyes,
Manager, Human Resources,
Toronto Dominion International Limited,
St. Helen's, 1 Undershaft, London EC3A 8HU.

TD

P.A. Finance and Administration

Age 23-30 US Broker up to £17,000

Our client, a major US Investment Bank, will shortly appoint a P.A., reporting directly to the Managing Director of the International Division. His/her duties will include advising on the following:

- * Accounting - budget preparation, financial data, etc.
- * Computer/office systems
- * Communications - telex, telephone, etc.

The successful candidate, possibly an ACA, must have basic accounting skills and a working knowledge of up-to-date office systems. Ideally the experience will have been gained within the financial environment. He/she will be liaising with a number of overseas offices and will have to demonstrate that they have tact and poise as well as the organising and numerate abilities demanded for this key appointment which is likely to have increasing responsibilities. A highly competitive salary will be negotiated.

Please apply to Jock Coutts, Career Plan Ltd., Chichester House, Chichester Rents, Chancery Lane, London WC2A 1EG, tel: 01-242 5775.

**Career
plan
LIMITED**

Personnel Consultants

Editor

to c£25K

City

Experienced Journalist with some knowledge of financial markets is sought by a highly successful organisation about to launch an International Investment Magazine.

Based in London, you will be responsible for setting up a journalistic team, editing, contributing to and co-ordinating the monthly publication. Overseas travel will be necessary.

Salary will be to c£25,000 + benefits, but remuneration will not be considered a limiting factor for a candidate of exceptional quality.

Please write to:

Halina Scharf, Consultant,
Management Selection Division,
PER, 4th Floor, Rex House,
4-12, Regent Street, London SW1Y 4PP.

PER

**MANAGEMENT
SELECTION**

Yen Bonds— Sales and Trading

Our client, a major UK Bank, is a leading market maker in Samurais and Euroyen. Continued expansion in their capital markets' activities has resulted in several opportunities for both sales executives and traders with previous experience in the above markets.

A competitive remuneration package including an attractive bonus scheme and other benefits is available and will be negotiable depending on age and experience.

Interested applicants should contact Chris Smith on 01-404 5751 or write to him at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref. 3482.

MP

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

MERGERS & ACQUISITIONS - ACA

A major British bank seeks two ACA's with experience, gained within a leasing environment, of some, or all of the following:-

Tax planning, systems accounting, pricing policy, mergers, acquisitions, feasibility studies, new financial product development etc. This is a Head Office corporate strategic planning role, hence excellent interpersonal skills, coupled with a commercial awareness, are required, as discussion at Board level, both internally and externally is envisaged. Salary: £17-25,000 +.

INTERNATIONAL ACCOUNTING

The leasing subsidiary of a U.S. bank has a vacancy for a graduate 'top 6' trained ACA aged about 27 years, in their European head office. Duties will be management reporting, statutory accounting, tax planning and a genuine involvement in the company's corporate decision making process. 20% travel to European subsidiaries is required hence a knowledge of German or French would be advantageous. Salary: c£15,000 + Bank Benefits.

YOUNG LEASEBROKERS

Three bank Principals seek motivated, successful and career minded Leasebrokers. In addition to obvious negotiating skills, in-depth evaluating and documentation skills are pre-requisites. Transactions are U.K. tax based and values are generally in the £1m-£5million range, and can encompass Sales Aid-Vendor Programmes. Salary: Neg c£20,000 + Full Bank Benefits.

For the above vacancies please contact: Peter Haynes or Brian Gooch

CAPITAL MARKETS/SWAPS

Our clients are prime U.S. Merchant Banking Institutions seeking to expand their existing marketing teams. Senior Capital Markets Marketing Executives aged 25-35 are required to seek mandates in France and the West Coast, U.S.A. territories. In addition a Swaps Executive is sought with experience in the marketing and execution of interest rate and currency swaps. In each case candidates should offer several years' experience in the active capital markets environment supported by a degree or professional (ACA, Law) qualification. Salary: £neg.

Please Contact: Bryan Sales

All applications will be treated in confidence.
Jonathan Wren & Co Ltd, 170 Bishopsgate, London EC2M 4LX
01-623 1266.

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BANKING
APPOINTMENTS

Treasury Management

London

c£25,000

For a major international firm which is expanding the treasury consulting services it offers to a growing range of financial sector and corporate clients in the UK and in Europe.

Your work may include studies of the scope and effectiveness of corporate treasury functions; reviews of banking relationships and electronic banking services; the design of treasury reporting systems; and the design and implementation of treasury software. You will be part of a young and highly committed team of specialists from a variety of backgrounds, and the openings offer a high level of responsibility and significant opportunities for career progression.

Probably in your late 20s, you should be a graduate or qualified accountant with good quality treasury experience gained in banking, consultancy or a corporate treasury department. The salary indicator is around £25,000 with attractive fringe benefits and remuneration will not be a limiting factor.

Write in confidence to John Cameron, quoting ref. C353 at 10 Bolt Court, London EC4 (telephone 01-583 3911).

**Chetwynd
Streets**

Management Selection Limited



CITY BANKING OPPORTUNITIES

BCC requires for its Central Credit Division:

CREDIT OFFICERS (ref A/1)

Applicants should have spent the last five years in the credit function of a bank. A sound knowledge of trade finance would be an added advantage. Alternatively, applicants should have been trained as accountants with at least five years professional experience who would like to pursue a career in banking. Maximum age 28 years.

GRADUATE TRAINEE OFFICERS (ref A/2)

Graduates who would like to pursue a career in banking. Selected candidates would be given training before being assigned to the credit function. Maximum age 24 years.

A competitive package of salary and benefits will be available.

Eligible candidates must have residential status in the U.K. and should apply in confidence, latest by 31st March 1985, enclosing a full C.V. with a passport size photograph to:

D. R. Oshidar, Central Credit Division,
Bank of Credit and Commerce International S.A.,
Licensed Deposit Taker,
100 Leadenhall Street, London EC3A 3AD.

Institutional Sales

INTERNATIONAL MINING

Laing and Cruickshank have built up in recent years a range of research products in the international mining field, in particular gold in South Africa, Australia and Canada. Experienced sales executives are now needed to augment this successful team.

The positions will appeal to individuals aged between 25-40 who have international sales experience or will have been managing natural resource assets and who wish to make a major contribution within an environment where there are no restrictions on achieving their full potential. They will be motivated self-starters interested in adding to a good basic salary with a generous performance related bonus.

Salary is negotiable and the total remuneration will reflect the seniority of the successful applicant. Please write or telephone: John Fernyhough, Laing & Cruickshank, Piercy House, 7 Copthall Avenue, London EC2R 7BE. Tel: 01-588 2800.

**Laing
& Cruickshank**
MEMBER OF THE STOCK EXCHANGE

FINANCIAL INFORMATION SERVICES

Rates Reporters. Salary: £8,500
Contribution Executives. Salary £8,000

Our client is recognised as an international leader in the provision of on-line financial information to major clients in the City of London. Their commitment to providing their customers with accurate and timely information, together with outstanding service, prompts their requirement to appoint two **Financial Rates Reporters** and two **Contribution Executives**.

The Reporters will be required to gather trading information directly from the money markets, assess the information and then to input that validated information into the system. The Contribution Executives will be required to call contributors to ensure current and valid information, liaise with new contributors and subsequently format pages and update the system index. Considerable customer contact both by telephone and in person is required in all these appointments.

Successful candidates are likely to be aged in their early 20's, will be intelligent, well presented, articulate individuals who after a period of in-house training will be competent and confident in dealing with executives within the challenging City environment.

The salary package includes a regular review procedure, together with major company benefits. There are also excellent opportunities for career development within this successful organisation.

For further information would you please contact Andrew Goodman on 01 486 8591, or write to him at the address given below quoting Reference Number NM0737.

Duke House, 37 Duke Street, London W1M 5DF
Telephone: 01-486 8591

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Risk Administration Ltd.

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This new company, under highly experienced management in this field, with the backing of a major international financial group, needs some really bright people for their start-up, with experience and entrepreneurial flair.
Salary will not be restricted by large group constraints—a very attractive package related to effort and reward can be negotiated. This is an exceptional career opportunity.
Please write or ring Anthony Falcon, quoting ref. 434A at Courtenay Stewart International Ltd., Management Selection and Recruitment Consultants, who have been retained by Risk Administration Ltd for these appointments.
COURTENAY STEWART INTERNATIONAL LTD.
11 Maddox Street, London W1R 9LE. Tel: 01-491 4014.

FOREX APPOINTMENTS

For Foreign Exchange and Money Market appointments at all levels consult a specialist

TERENCE STEPHENSON
Prince Rupert House, 9-10 College Hill, London EC4R 1AS - Tel: 01-246 0285
20 years market experience

OMNIBANK AG

Omnibank AG London is seeking two persons of graduate calibre probably aged between 24/30 to join its small but rapidly expanding Credit and Marketing Department.

PROJECT FINANCE OFFICER

This position requires someone with proven credit and analytical international project finance knowledge and skills and at least eighteen months' working experience with an international bank. The work will be highly challenging and deal oriented. A knowledge of German will be useful though not essential.

CREDIT OFFICER

This position requires at least eighteen months' experience in the analysis, presentation, implementation and review of credits, probably acquired in a US bank. There will be substantial customer contact and marketing on a transaction by transaction basis.

Both positions will provide domestic and international exposure to a variety of financing situations and techniques in many industries as well as considerable personal development opportunities for the successful person. A competitive remuneration package is offered.

In February 1985 Omni Holding AG, Zurich bought Phibrobank AG, Zug which will shortly be renamed Omnibank AG. The bank which is well known for its trading, finance, commercial banking and private banking services out of both Zug and London, has new direction, a considerably wider development scope and major expansion plans.

Applicants with the necessary minimum or higher qualifications should write with detailed cv to:

Mr. T. G. Petropoulos,
General Manager,
OMNIBANK AG, London Branch,
Moor House,
London Wall, EC2Y 5JE.

INVESTMENT ANALYST

British Railways Pension Funds, whose assets approach £4 billion, are currently seeking an experienced analyst to join its U.K. equity team.

Applicants should be self-motivated individuals in their mid twenties with a University degree or equivalent professional qualification and at least two years relevant Stock Market experience.

The successful candidate will have responsibility for the fund's investments in a range of U.K. sectors and have the potential to progress to fund management.

An attractive remuneration package, including rail travel benefits, will be offered to the right candidate.

Applications, enclosing a full curriculum vitae, should be sent to:

The Investment Manager,
British Rail Pension Trustee Company,
50, Liverpool Street,
London EC2P 2BQ

We're getting there

EUROBOND SETTLEMENTS ASSISTANT MANAGER

Age 25-35

£13,000-£15,000

+ early review and first-class benefits package

A rare opportunity has arisen to join as Number Two in our Settlements Department.

To apply for this position you should have several years' first-class experience gained with a prominent securities house; be capable of assuming immediate staff supervisory responsibilities; be strong on systems and organisation as well as possessing wide technical knowledge of most aspects including yen settlements.

There are good prospects for career advancement.

Lack of formal qualifications need not be a bar to the successful candidate as emphasis will be placed on personal qualities and experience.

Please write with full c.v. to:

OPERATIONS MANAGER
SUMITOMO FINANCE INTERNATIONAL
107 CHEAPSIDE, LONDON EC2V 6HA

Treasury Operations Manager

CC Soft Drinks Limited, a subsidiary of The Coca-Cola Company and one of the country's leading soft drinks manufacturers, seek a Treasury Operations Manager.

Reporting to the Treasury Services Manager, the successful applicant will have broad treasury experience and will be familiar with all aspects of cash and balance sheet management. Knowledge of corporate tax implications will be a distinct advantage, as will good communications skills.

The successful candidate is likely to be aged between 30 and 40.

In return, we offer an attractive salary, generous benefits and excellent prospects.

Please write with full career details to Helen Loughlin, Recruitment and Training Manager, CC Soft Drinks Limited, Club House, Hanworth Road, Sunbury-on-Thames, Middx TW16 5DF.



CC Soft Drinks Ltd.

The Coca-Cola Company

HEAD OF SETTLEMENTS

to £18,000

Our client, a major UK institution based in London is seeking candidates for the position of Head of Settlements.

The successful candidate will have a well developed knowledge of procedures involved in settling transactions across a wide range of investment instruments and international currencies. This experience will have been gained during a period of 5 or more years progress within a securities/settlements function. This position will provide you with the opportunity to take first-line supervisory responsibility for controlling and developing the support function.

Reporting to the Head of Investment you will have responsibility for up to 10 staff and will be expected to contribute to the development of computerised settlement procedures. Travel to overseas correspondent banks will occasionally be required.

Applicants for this varied and important appointment should reply in strictest confidence enclosing a c.v. to Derek A. Burn, MCP Consultants, Halton House, 20 Holborn, London EC1N 2JD.

MCP Consultants

Financial Sector Human Resources

Top Executives

earning over £20,000 a year

Can you afford to waste nearly £2,000 a month in delay? Minister Executive specialises in solving the career problems of top executives. The Minister programme, tailored to your individual needs and managed by two or more partners, is your most effective route to those better offers, 75% of which are never advertised.

Our clients have an impressive record of success; many blue chip companies retain our services in the redeployment of their top people.

Telephone or write for a preliminary discussion without obligation—or cost.

MINSTER EXECUTIVE LTD

28 Bolton Street, London W1Y 8HB. Tel: 01-493 1309/1085

Trust Manager

c.£17,000 + Bonus

Our client, a rapidly expanding offshore based investment management company servicing a worldwide client base.

The Trust and Corporate Services Division is currently enjoying significant growth and consequently seeks to recruit a Senior Trust Administrator to support their development.

Ideally, candidates should be qualified AIB or ACIS with a minimum of 3 years' trust and company administration experience in a financial

institution or professional practice.

The salary package is negotiable depending on age and experience, and is particularly attractive in view of local tax rates. Relocation expenses will be provided where appropriate.

Interested applicants should contact Charles Reeves or Neil Nokes on 01-404 5751 or write to them at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref 3481.

Strictest confidentiality is assured.



Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

DEALER

Chase Bank (Ireland) Limited Belfast

Chase Bank (Ireland) Limited, a wholly owned subsidiary of the Chase Manhattan Bank N.A., has a vacancy at its Belfast branch for a junior dealer. Core responsibilities of this position will be to assist in the day to day money market funding of the branch and in marketing the Bank's treasury services to corporate and institutional customers. A minimum of one year's relevant dealing experience is essential.

Salary and appropriate banking benefits will be discussed at interview. Please write—in confidence—to Manager Human Resources



Chase Bank (Ireland) Limited,
11 Donegall Square South,
Belfast BT1 5DL

FINANCIAL FUTURES SALES

Rapidly expanding futures company requires experienced sales person to join its sales team. This is an excellent opportunity for a highly motivated individual. Age is no barrier although the successful candidate (male or female) will probably be between 24-34 years of age. The salary package will reflect the candidate's experience and we will offer a generous commission-sharing scheme.

Write Box A8941, Financial Times
10 Cannon Street, London EC4A 4BY

CJA RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-638 9216

Opportunity to embark upon Corporate Finance career with early prospects of increased responsibility and earnings.



CORPORATE FINANCE EXECUTIVE - BANKING

CITY

£14,000 - £18,000

FAST DEVELOPING MERCHANT BANKING ARM OF SUBSTANTIAL INTERNATIONAL FINANCIAL SERVICES GROUP.

For this demanding new appointment, the result of expansion, we seek recently qualified Chartered Accountants or Solicitors, aged 23-27. A broad professional training in a leading international firm specialising in the corporate field is essential and experience which relates to corporate finance activities or investigations will be a definite asset. Working within the Corporate Finance Group, the successful candidate will be involved immediately in all aspects of the work of a busy department, including, inter-alia, take-overs, mergers, acquisitions and new issues and will be encouraged, at an early stage, to play an increasing role with growing responsibilities. Total commitment is necessary together with communication skills, financial judgement plus the ability to make a full contribution with the minimum of direction and supervision in a fast-moving, high pressure environment. Initial salary negotiable £14,000 - £18,000, mortgage subsidy, non-contributory pension, free life assurance and private health benefits. Applications in strict confidence under reference CFE4322/FT to the Managing Director.

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.

Please only contact us if you are applying for the above position.

BADENOCH & CLARK

FUND MANAGEMENT

c.£25,000 + BENS

Our client, a leading U.S. Merchant Bank, has established itself as a major force in International Fund Management, and has two specific current requirements:

We would welcome applications from candidates with at least two years' experience in either:
(i) **FIXED-INCOME** - discretionary portfolio management of domestic U.S. issues, Eurobonds and government stocks or
(ii) **EUROPEAN EQUITY FUND MANAGEMENT** - preference for experience in Germany, Scandinavia, France or Benelux.
Candidates would be expected to have had a sound research/analysis background, the ability to advise on stock-selection and effectiveness in dealing with clients. The remuneration package will be particularly attractive for the right candidate.

CAPITAL MARKETS EXECUTIVES

£ Negotiable Package

As a result of heavy demand amongst our clients, which include leading Accepting Houses and International Merchant/Investment banks, we would be interested in meeting young Executives with at least twelve months' experience in the Capital Markets group of an established House.

Highly qualified individuals, possibly with a Law degree, should have gained experience in documentation or securities and a knowledge of a geographical sector of the Bond Market. A high emphasis is placed upon the ability to raise new business and service existing clients.

If you are ambitious to further your career in a challenging new position, and would like to develop your skills in such fields as Product Origination, Business Development, Syndications or Swaps, please contact Christopher Lawless or Stuart Chifford for a confidential discussion.

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

BREWERY ANALYST

A respected, medium-sized firm of London stockbrokers seeks an analyst to work on the brewing and distilling sector.

Experience of the sector, though desirable, is less important than analytical skill and the ability to communicate both verbally and in writing. Candidates may have developed these skills either in the City, industry or in an academic position.

A competitive remuneration package is offered.

Write in confidence, with CV, to Box A8938, Financial Times, 10 Cannon Street, London EC4A 4BY giving the names of any firms to which applications are not to be forwarded.

Pensions and Benefits Executive

The Northern Foods Group has wide ranging interests in the food industry, both in the UK and the USA. Total sales are well in excess of £1 billion and 18,000 people are employed in the UK alone.

There are three main divisions covering Milk and Dairy products; Meat and Poultry; and Meat. Whilst these divisions have substantial autonomy, there is centralised administration of Pensions, Profit Sharing and management salaries.

We are now looking for someone based at the Group's head office in Hull to head up the administration of Pensions and other benefits.

Main features of the job are:-

Overall control of both investment and membership of the Northern Foods Superannuation Fund, which is a growing, self-administered scheme currently with 7,000 contributing members, 1,000 pensioners and assets valued at around £75 million.

Control of the Group's share-based Profit Sharing Scheme, which has some 8,000 participants.

Responsibility for payment of the Group's management salaries.

Direct involvement with the salaries and benefits of senior management.

Aged 35-45, applicants will be graduates with a proven management record, including in particular the control of a substantial pension scheme. Ideally, he or she will have had exposure in the area of salaries and other benefits. Whilst there is a clear requirement for sound administrative ability, we also greatly value the qualities of flair and imagination in the handling of these areas.

This is an important senior appointment, which will be reflected in the salary and other benefits, including company car and relocation assistance.

Please write, giving brief details of age, qualifications, experience and current salary (selected candidates will be asked to complete an application form) to:-

Jim Vint, Group Personnel Manager,

Northern Foods plc, Beverley House, St. Stephens Square, HULL HU1 3XE.

Northern Foods plc

PERSONAL FINANCIAL PLANNING

A leading UK Institution with a unique investment idea wish to appoint three people between 30 and 55 for its marketing operations, possible earnings excess of £30,000 per annum (commission)

Telephone Ian Kirkwood

on 01-831 8681

SUN LIFE UNIT SERVICES

Appointments Wanted

AMBITIOUS

Young American executive seeking position of responsibility with aggressive entrepreneurial organisation. Legally working and residing in London. Five years' experience in international business, trading and new business development.

Write Box A8937, Financial Times 10 Cannon Street, London EC4A 4BY

CORPORATE FINANCE BUSINESS DEVELOPMENT

A very active international investment/securities institution, expanding into Corporate Finance are interested to speak to established UK bank representatives with a sound knowledge of the important corporate and institutional.

CORRESPONDENT BANKING

A well known international bank, with a particular interest in trade related business are seeking to increase their market share by appointing an experienced banker in this sector to lead the team. A second language would be an advantage.

EUROBOND SALES EXECUTIVE

Experience in Eurobonds, FRNs or Gilt dealing/sales are preferable to join a leading market maker, but they are prepared to see experienced securities people with a flair for sales.

BUSINESS DEVELOPMENT IN CORPORATE/TREASURY

One of client banks who are increasing their corporate sales force would be pleased to speak to a banker who is a treasury specialist with excellent foreign exchange and money market experience to head up a new sales thrust bringing these services to the UK financial sector.

OLD BROAD STREET

BUREAU LIMITED

STAFF CONSULTANTS

01-588 3991

Capital Markets/Lending Senior Marketing Executive

c.£40,000

Our client, a prime US bank, is currently enhancing its marketing capabilities and consequently seeks to recruit an experienced U.K. Corporate Banker. The successful candidate will take full responsibility for a number of the bank's major multinational clients. The role will include utilising the bank's resources to provide innovative solutions to clients' financial requirements.

Candidates for this demanding and highly responsible position must possess:

- ★ Capital markets and commercial bank experience
- ★ Ability to identify/close transactions
- ★ Confidence to negotiate at board level with major companies
- ★ Comprehensive understanding of world financial markets
- ★ An imaginative, innovative and aggressive approach

The remuneration package is negotiable and will depend on age and experience. Interested applicants, aged 30-45, should contact Chris Smith on 01-404 5751, or write to him at the Banking and Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref 3472.



Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

HOARE GOVETT (BOND BROKING) LIMITED

Eurobond Broking

It is our intention to increase our commitment to the market substantially.

If you feel that you have the stature and integrity to be able to conduct business within the constraints of the professional broking structure, we should be pleased to hear from you.

You will be currently involved in either Eurobond broking or trading, although dealing experience in the primary market could provide an appropriate background.

We do not envisage that remuneration will be any bar to the right individuals.

Write in confidence to:

The Company Secretary,

Hoare Govett (Bond Broking) Limited,

Heron House, 319/325 High Holborn, London WC1V 7PB.

Oil Analyst

Our client is a medium sized U.K. firm of stockbrokers with international business and an excellent reputation for their coverage of certain equity sectors. They seek an able analyst to complement their natural resources team.

The successful person will probably be aged 24 to 30 with several years investment research experience, a good understanding of the oil sector and proven written ability.

The position will involve joining a small sales/research team and taking over responsibility for the firm's output on oils to gradually include some European companies. It is envisaged that this will appeal to and ambitious individual who now seeks greater scope for advancement.

Please contact Fiona Stephens who will treat all enquiries in the strictest confidence.

Stephens Associates

International Recruitment Consultants

44 Carter Lane, London EC4V 5BX. 01-236 7281

MAGDALEN COLLEGE, OXFORD SENIOR BURSAR (Chief Financial Executive)

Magdalen College intends to appoint to the full-time post of Senior Bursar which will fall vacant on 1st January, 1986. The Senior Bursar is the chief financial executive and is charged with the management of the considerable property and investments of the College and the administration of its income and expenditure. It is hoped that the successful candidate will be able to join the College in advance of 1st January, 1986, so as to allow for some overlap with the present Senior Bursar. The post, which laps with the present Senior Bursar, is open to men and women.

An application form and further particulars may be obtained from the President, Magdalen College, Oxford OX1 4AU, to whom completed applications should be sent not later than 24th April, 1985.

A direct line to the executive shortlist

InterExec is the organisation specialising in the confidential promotion of Senior Executives.

InterExec clients do not need to find vacancies or apply for appointments. InterExec's qualified specialist staff, and access to over 100 unadvertised vacancies per week, enable new appointments at senior levels to be achieved rapidly, effectively and confidentially.

For a mutually exploratory meeting telephone:

InterExec

London 01-830 5041/8 19 Charing Cross Rd, W.C.2
Birmingham 021-632 5048 The Rotunda, New St.
Bristol 0272 77715 30 Baldwin St.
Edinburgh 031-225 5680 47a George St.
Glasgow 041-332 5672 180 Hope St.
Leeds 0532 480243 12 St. Paul's St.
Manchester 061-236 8409 Pauline House, Pauline St.

The one who stands out

Executives - Capital Markets

Our client, a major international investment bank, requires several executives to join their Capital Markets Group, to become involved in all aspects of New Issues documentation. Applicants should ideally be holders of an MBA, with fluency in English and at least two other European languages, and be able to produce evidence of experience within an international environment. A competitive salary plus the normal banking benefits will be offered. Please send curriculum vitae to: B. Johnson, PER, London West, 319/327 Chiswick High Road, London W4.



Professional & Executive Recruitment

FINANCIAL MANAGEMENT CONSULTANT?

You have no doubt seen vacancies for Financial Management Consultants advertised and have perhaps wondered what exactly this entails. In a lot of cases it means selling Life Assurance Pension, and Investment Plans. However at Allied Hambro Financial Management it means a lot more.

We are in a unique position to offer our clients a complete integrated range of financial services including Portfolio Management and Banking Services. Consequently we require people of integrity to train for a career in this wider sphere of financial Management Consultancy.

We consider trained totally professional people crucial to our future success.

ALLIED HAMBRO For an appointment Tel: 01-831 7411
FINANCIAL MANAGEMENT Vic Groves on 01-831 7411

INVESTMENT ASSISTANT

A member firm require an assistant with thorough grounding in The Stock Exchange and investment experience, to work with a group of Associate Members. Attractive salary and excellent prospects

Write Box A8943, Financial Times 10 Cannon Street, London EC4A 4BY

Major Eurobond Dealers

A leading market maker has a vacancy for an experienced trader on active dealing desk to trade straight bonds.

Salary negotiable.

Please apply in writing to:

P.O. Box No. A8940
Financial Times, Bracken House,
10 Cannon St., London EC4A 4BY

RETAILER MARKETING OFFICER

A Joint Venture subsidiary of two major international corporations has, because of continuing rapid expansion, a vacancy for an experienced marketing officer. This position will be of interest to a bright ambitious graduate with two or three years' commercial experience currently employed by a merchant or major international bank as a marketing officer.

The job entails calling on large UK retailers, making presentations at board level on a range of consumer credit related products including in-store credit cards. No consumer credit experience is required as full product training will be provided.

Outgoing, tenacious, personable are some of the adjectives that will apply to the person appointed. Do not apply if all you want is a 9-5 routine.

Salary level and compensation packages are fully negotiable. Please write with your Curriculum Vitae to the address below:

General Manager,
RETAIL CREDIT CARDS LIMITED,
PO Box 280, 1 Dale Street, Manchester, M46 1DD.

BANKING OPPORTUNITIES

Head of Private Clients Division 35 to 40 c.£50,000 p.a.
Internationally-known bank requires a senior executive with experience of dealing with high net worth individuals probably gained in bank offering these services.

Eurobond Asset and Liability Swaps 25 to 30 c.£30,000 p.a.
Prestigious securities division of well-known European bank requires Eurobond asset and liability swaps expert with 1-3 years' experience either in marketing or execution thereof.

Scandi Straight Bond Trader 20s c.£20,000 to c.£25,000 p.a. see
Trader in above required by top-class bank.

No. 2 Eurobonds Back-up c.27 c.£11,000 p.a. +
Mature-minded person required to assist head of Eurobond back-up; all usual duties plus some Eurobond accounting and knowledge of new issues required by this UK bank.

Trainee for Portfolio Management 25 c.£11,000 p.a.
Graduate with 2 years' experience in fund management (preferably Japanese linked) required by UK merchant bank.

LJC BANKING

148 Bloomsbury, London EC2M 4JX: 01-377 8600

European Analyst

Leading firm of London stockbrokers with a rapidly expanding European Equity Department needs another Analyst. Language(s) essential. Previous financial experience helpful.

Please write with details to Box A8942
Financial Times, 10 Cannon Street, EC4A 4BY

Our client is a medium sized British Merchant Bank, with international interests and a City of London base. The Bank is undertaking a re-organisation and strengthening of the management team, and, a number of posts are being filled which offer attractive opportunities for career progress.

Manager-Trade Finance

£20,000 - £25,000 PA + CAR

The Manager will assume by late 1985 full responsibility for the sound management of a department which encompasses a significant part of the Bank's business. Duties will be the maintenance of sound banking practice, risk analysis, policy formulation, staff motivation and training and profitable expansion.

Candidates are expected to have fifteen years' record with a major financial institution including five or more years of international lending perhaps gained in a senior management position at an overseas branch of a UK bank. It is important that applicants have a sound appreciation of ECGD procedures and trade finance administration. Additionally they should have some practice in recoveries in the UK and overseas. Candidates should have an AIB, and a degree or professional qualification would be an advantage.

Assistant Manager-Trade Finance

£15,000 - £18,000 PA

The Assistant Manager will assume almost immediately a significant proportion of responsibility for the profitable and secure operation of the department, risk assessment, customer relations, marketing and business development. Equally important, the successful applicant will be concerned in the training and motivation of staff and quality of workmanship.

Candidates must have a number of years' good general banking training and experience with several years in international trade finance, direct exposure to business development, ECGD procedures, documentary credits and collections and proved staff management ability. An AIB or degree level qualification is expected.

The Bank offers good working conditions, subsidised mortgage scheme, 25 days' holiday per annum, contributory pension scheme, interest free season ticket loan and other benefits. Salaries will be based on experience and are broadly negotiable in the ranges indicated.

Please apply in the strictest confidence with salary history and quoting Ref 352, to Terry Fuller, Bull Holmes (Management) Ltd., 45 Albemarle Street, London W1X 3FE.

Bull Holmes

PERSONNEL ADVISERS

RELATIONSHIP MANAGER

£20,000 + CAR

Continuous expansion in this major American Bank has created several career opportunities for graduate bankers with formal credit training. Candidates should have a minimum of 4 years experience of marketing the full range of Bank services to multinational clients.

For further details please call

Mike Blundell Jones on

236-1113 (24 hours)

PORTMAN RECRUITMENT SERVICES

JOB SEARCH?

The best executive and professional appointments are not advertised. Obtaining these positions in today's competitive market requires a professional approach, and specialized knowledge.

Our services are highly successful, competitive and flexible. Contact us now for an initial exploratory meeting - at no cost or obligation, or send us your CV. Your future could depend on it.

Career Advisory Services Ltd
6 Queen Street Mayfair
London W1X 7PH
Tel 01-493 2648

FOREIGN EXCHANGE BROKER

c. £25,000

An international trading company requires an experienced professional to manage their foreign exchange exposure within the international markets.

The successful applicant will have at least three years' experience within foreign exchange in a recognised financial institution and be able to take a broad over-view of the market.

The position would suit an adaptable and flexible individual who not only has the technical experience required to be successful in FX but also possesses the entrepreneurial skills to be aware of the alternative opportunities in other financial markets.

Ideally aged 25-35, we offer a highly competitive package c. £25,000 with performance-related bonus and career development within a progressive company.

Please write, enclosing a curriculum vitae, to:

Company Secretary
NKS EUROTRADE (U.K.) LIMITED
P.O. Box 180, 3 Regent Sareet, London SW1Y 4NR

F. H. TOMKINS p.l.c.

BUSINESS DEVELOPMENT MANAGER

Tomkins wishes to appoint an ambitious executive to its small head office team to assume responsibility for seeking out and assessing acquisition and organic growth opportunities and assisting in post-acquisition integration.

Applicants, ideally between 26 and 33, should be qualified accountants, have an analytical mind and have already gained appropriate experience in the City or with an industrial group. Self-motivation, drive and a commercial outlook essential. Excellent scope for career advancement.

Salary commensurate with experience; benefits include a car. Please send personal and career details, highlighting particular talents and experience considered relevant, together with photograph, to:

I. A. Duncan, F. H. Tomkins p.l.c.
Hyde Park House, 60a Knightsbridge, London SW1X 7JZ

BADENOCH & CLARK

FINANCIAL INVESTIGATIONS To £30,000

On behalf of several major firms of Chartered Accountants, we are actively seeking a number of high calibre graduate A.C.A.s to work in financial investigations at levels from Supervisor to Senior Manager.

These positions will encompass a wide range of duties including:

- Corporate Advisory Work
- Business Start-ups and Venture Capital assistance
- Mergers and Acquisitions
- U.S.M. and Stock Exchange Circulars
- Long and short form reports
- Valuations and forecasts
- Forensic accounting and Expert Witness

Applicants should have previous experience within these areas, gained either in a professional firm or with a major commercial/financial organisation.

For further details please contact Colin Perkins.

TAXATION CONSULTANCY c.£30,000 Package

Our clients, Specialist Tax Consultants and Corporate Advisors, require technically gifted A.C.A.s, Solicitors or Barristers to augment their successful and expanding teams. An ability to deal directly with clients and previous experience in Taxation, Investigations or Acquisitions work, preferably gained from a major professional firm or leading financial institution, is essential. Contact Timothy Burrage.

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

Butler Till Limited Local Authority Department

We have a vacancy for an experienced dealer.

The successful applicant will possess a sound understanding of all aspects of today's market and the personality to fit into a well established and professional team.

Applications will be treated in strictest confidence.

Please write with details of past career to
Chas. Dobson, Director, Butler Till Limited,
Adelaide House, London Bridge, London EC4A 9HN.

Butlers

Where markets meet

SHIPOWNERS THIRD PARTY LIABILITY INSURANCE GRADUATE LAWYER

A vacancy exists for a qualified lawyer (graduate or solicitor) aged between 24 and 30 with a good U.K. university degree to join a firm of managers of a shipping mutual insurance and indemnity insurance business. Position in maritime chambers or experience in a firm of shipping solicitors would be a great asset. (Upper age flexible and those with one class specialised work experience at executive level but lacking legal qualifications would be considered.)

Salary negotiable. Benefits include P.P.P. pension scheme. Write with full curriculum vitae to: Miss Felicity Grey, Charles Taylor & Co., International House, 1, St. Katherine's Way, London E1 2BN.

International Appointments

We are a worldwide organization, operating sophisticated telecommunications networks for telecommunications in the banking sector. We are now looking for a

standards & bank procedures specialist (ref - FT 120 - m/v)

We are looking for an experienced banker, used to work with international banking procedures, standards and forms. His knowledge in the field of banking operations covers documentary credits, nostro accounts management, foreign exchange. He must also have data processing experience. His function will be to assist with the development of new message standards, monitor the use of existing Message Text standards and encourage their use by bankers, to develop and monitor users training.

Ideal candidates will be between 30 and 40 years old, with a good working knowledge of spoken and written English (report writing, oral presentation). Knowledge of other languages is a definite asset. Our company offers outstanding career opportunities in a young international team with an excellent working environment and a very attractive financial package.

Please submit your detailed resume and photo to our consultants
JERRY RUBIN - Personnel Consultant - Chaussée de La Hulpe 185 - 1170 Brussels.
All application will be answered.
Absolute discretion is guaranteed.



FINANCIAL CONTROLLER

Bruxelles/London

INTERNATIONAL GROUP WITH BRUXELLES HQ AND LONDON OFFICES

requires a financial controller to take responsibility for Group Accounts systems and liaise internationally with auditors. Must be free to travel. Excellent prospects and terms.

Write Box A8948
Financial Times
10 Cannon St, London EC4A 4BY

COURT OF AUDITORS of the European Communities Luxembourg, offers c.£25,000 p.a. net for a two to four year contract with development and audit team to a graduate C.A. with good French and/or Spanish. Developing country experience desirable. Telephone: (Luxembourg) 352-4773-433

Audit Controller

International Kuwait

Our client is one of Kuwait's leading commercial banks and has a significant international business and presence.

A controller is to be appointed to control the audit of the international sector. The person appointed will lead a team and be expected to travel to the Bank's overseas branches and to establish a functional relationship with branch auditors.

Applicants should have substantial banking and internal audit experience and be familiar with relevant computer-based systems and, ideally, be qualified accountants.

The Bank will match these requirements with a salary and benefits that are attractive and payable tax free at source.

Please write in confidence to MJB Ping enclosing a detailed curriculum vitae quoting reference F/195/P at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

EW Ernst & Whinney



EMIRATES INDUSTRIAL BANK

SENIOR ECONOMIST

Emirates Industrial Bank is determined to make a positive contribution towards the industrialization of the United Arab Emirates.

For the above objective, the bank has formed an Information Center. The center will collect, organize, update and analyze industrial and macroeconomic information.

Appointments are being sought for a high calibre economist to be located in Dubai.

The initial salary will be on the scale \$32,000 to \$55,000 per annum, plus accommodation and other benefits.

Applicants will be required to have post graduate degree and at least ten years experience in applied economic research.

Applications with full personal details, qualifications, experiences should be submitted as early as possible to:

P.O. BOX 2722 ABU DHABI
UNITED ARAB EMIRATES.

A MAJOR U.A.E. BANK IS SEEKING SENIOR MANAGER - OPERATIONS

POSITION: Responsible for managing banks operations, improving existing operational systems, increasing efficiency and profitability.

REQUIREMENTS: Several years' recent experience in managing operations of a retail bank in an automated environment.

SENIOR CREDIT INSPECTOR

POSITION: To head up the credit inspection team responsible for determining the quality of the risk asset portfolio and to improve the procedures and practices of managing risk assets.

REQUIREMENTS: Experienced lending officer with a detailed knowledge of international trade finance, accounting, economics and lending techniques.

SENIOR MANAGER - INTERNAL AUDIT

POSITION: To head up the internal audit team and develop systems and controls.

REQUIREMENTS: Qualified Accountant with experience in internal control aspects of automated retail banking.

Remuneration in line with experience and qualifications however in excess of £30,000 p.a. plus free furnished accommodation.

There are also vacancies for credit inspectors and internal auditors to enhance the existing teams and applications are invited from persons with several years' experience in these functions.

Applicants, preferably with a university degree or an accounting qualification, should apply with a detailed curriculum vitae and recent photograph to the advertiser:

Box A8944, Financial Times
10 Cannon Street, London EC4A 4BY

SAUDI ARABIA

Chartered Accountant

The JEDDAH CLINIC HOSPITALS group is one of the principal private hospital organisations in the Kingdom of Saudi Arabia having four hospitals in service and the fifth to be commissioned this spring.

The prime duty—responsible to the Board—will be INTERNAL AUDITING of the finance and accounting at all hospitals of the Group and based at the Group Headquarters in Jeddah will form and lead a small team.

Experience should preferably include hospital/health care finance/accountancy. Knowledge of the Arabic language is essential and although fluency is sought, consideration will be given to candidates whose language abilities are slightly less.

Excellent (tax-free) salary and benefits which include married accompanied status, newly and luxuriously furnished accommodation, generous leave schedule, air tickets and free medical care.

Curriculum vitae please (Ref. JHC-2) to:

Dr. H. Matabegani — Director
JEDDAH CLINIC HOSPITALS
Suite 1, 4th Floor, 1 Great Cumberland Place
London W1H 7AL

SPRECHEN SIE DEUTSCH?

We are an international commercial company involved in the high-tech sector (micro chips and semiconductor) with excellent contacts to European industry. We have branches in the USA and Japan. Our group turnover in 1984 amounted to DM 110 million. We are looking for

YOU as our international sales manager.

You will be based at our Munich Head Office. You should be confident and able to work under pressure. In return, we offer an above average salary with excellent prospects for furthering your career in the future. Please send your application to our Munich Head Office.



CONSUMER ELECTRONIC
MÜNCHEN · NEW YORK · TOKYO
Hendelshaus GmbH
Postfach 40 04 04
Karl-Theodor-Strasse 81
D-8000 München 40
Tel.: 089/30810 81

International Appointments

SENIOR SPECIALIST POSITIONS IN THE STATE OF QATAR

Qatar General Petroleum Corporation established by the State of Qatar with responsibilities covering all phases of the petroleum industry in the State including exploration, drilling, production, manufacturing (NGL & LNG), petrochemicals, fertilisers, refining and marketing, requires senior specialists in the following fields:—

1. **FINANCE** — Financial analysis, planning and control systems.
2. **LEGAL** — Verification and drawing up of legal contracts and agreements connected with the Corporation's business.
3. **PROJECT ENGINEERING** — Preparation of specifications and tender documents, evaluation, execution and control of projects.
4. **CHEMICAL ENGINEERING** — Specialised experience in LNG Projects/Process Plants is essential.
5. **PETROLEUM ENGINEERING** — Specialised experience in reservoir engineering and production technology is essential.

APPLICANT SHOULD HAVE:

- An appropriate educational background and where applicable a recognised professional qualification.
- A minimum of 10 years of progressive and varied post-qualification experience in large industrial organisations, preferably in the petroleum industry.
- Proficiency in English is essential and that of a second language such as Arabic or French is preferable.

SALARY OFFERED WILL BE COMMENSURATE WITH QUALIFICATION AND EXPERIENCE

Qualified candidates should submit in confidence a résumé with salary history and expected salary to:

**RECRUITMENT CO-ORDINATOR
QATAR GENERAL PETROLEUM CORPORATION
P.O. BOX 3212
DOHA, STATE OF QATAR**

A New Era in Australian Banking

Banking Executives

Following the granting of new banking licences by the Commonwealth Government of Australia, we have been briefed by a number of organisations in the banking industry to locate experienced banking executives to work, mainly in Sydney or Melbourne. Some positions are also available in Perth, Adelaide and Brisbane.

Approximately 16 Australian and international banks are seeking staff to either expand their present activities or establish new merchant or retail banks. The Australian banking industry is therefore experiencing a period of dynamic growth. Executives recruited will take part in this growth and challenging opportunities abound.

Price Waterhouse Urwick in their capacity as a major consultant to the banking industry, is seeking applications or expressions of interest for positions in the following areas:

- General Management
- Corporate Advisory Services
- Corporate Finance
- Foreign Exchange
- Money Market/Futures and Brokerage
- Data Processing

These positions offer outstanding career opportunities. Attractive and competitive salaries will be negotiated. Relocation costs for the successful applicants and immediate family will be available, together with assistance in completion of immigration formalities.

Complete confidentiality is assured. Written applications quoting file no. 7690 should be forwarded by AIR MAIL to the Sydney address below. Interviews will take place in the United Kingdom during May/July.

box 191 royal exchange
sydney nsw 2000
australia

Price Waterhouse Associates
MANAGEMENT CONSULTANTS

Geneva

SENIOR MARKETING-PORTFOLIO OFFICER

highly competitive + extensive fringe benefits

Swiss citizen or holder of work permit.

Opening for professional with established Middle East clientele who enjoys travelling and personal contacts. Will be working closely with the Chief Executive Officer.

Please send your c.v. including details of current remuneration to Yannick P. Mercier, C.E.O.

SAUDI FINANCE CORPORATION

Member of Al Saudi Bank Group
2, rue Thalberg, P.O. Box 901
1211 GENEVA 1 - Switzerland

**SULTANATE OF OMAN
MINISTRY OF DEFENCE**

Commercial Officer

c.£32,500*

(plus 20% terminal bonus of all emoluments paid)
*At current rate of exchange

Our client, the Ministry of Defence in Oman has the above vacancy at its office near Muscat.

This is a newly created post in a small work intensive Directorate primarily concerned with drafting, negotiating, monitoring and expediting contracts with local and international suppliers for the supply of equipment, services and consumables employed by the Armed Forces.

Candidates for this position will be required to demonstrate:

- a. A sound academic background e.g. MA/MBA/B.COMM/CA/ACCA/ICMA.
- b. Not less than 5 years progressive and varied post-graduate industrial, commercial or professional experience and responsibility.
- c. General ability in more than one discipline.
- d. Negotiating and drafting skills.
- e. Maturity, integrity and the ability to work unsupervised.

The post is an accompanied civilian appointment. The tax free salary is supplemented by free housing and utilities, a car and excellent sports and recreational facilities. A total of 90 days leave per year with two paid return flights to UK are granted. Contracts are for two years initially, renewable annually thereafter by mutual agreement.

For further information and an application form please telephone Helen Griffith, 01-408 1010, ARA International, Edman House, 17-19 Maddox Street, London W1K 0EX (Agy)

ARA International
SEARCH, SELECTION AND RECRUITMENT ADVERTISING

Financial

Controller/Accountant

We are international air freight forwarding agents and our business involves large industrial companies and major UK and overseas airlines. The successful applicant should be well experienced in all aspects of financial management and accounting and will be expected to ensure the smooth running of our computerised accounting systems and report essential financial information to the directors on a regular basis.

If you can work efficiently under pressure, then please apply in writing giving full particulars to Box A8935, Financial Times, 10 Cannon Street, London EC4A 3DF.

Jeune contrôleur de gestion

Cette société (300 personnes) implantée dans le Nord Est de la France, est la filiale française d'un groupe international. Elle est spécialisée dans la fabrication de produits chimiques et occupe la première place sur son marché. Elle recherche son jeune contrôleur de gestion. Collaborateur immédiat du directeur administratif et financier, et dirigeant une petite équipe, sa mission sera de suivre les coûts d'exploitation et de fonctionnement de la société au travers de la comptabilité analytique, de procéder à l'établissement des différents budgets et d'en suivre leur utilisation. Ce poste s'adresse à un candidat de

formation comptable ou de gestion (ACMA, ACCA), jeune, mais justifiant impérativement d'une première expérience de la comptabilité industrielle. La connaissance de la langue française est indispensable, celle de l'informaticque constituerait un atout, les qualités d'analyse et d'ouverture d'esprit étant par ailleurs déterminantes pour une réussite dans ce poste. La rémunération proposée sera essentiellement fonction de la valeur du candidat, de son expérience et de son niveau de formation. Les candidats intéressés doivent adresser leur candidature à M. J. SANCHEZ à Croix en précisant la référence A/4734.

PA

PA Personnel Services

Executive Search - Selection - Psychometrics - Remuneration & Personnel Consultancy

19 résidence Flandre, avenue de Flandre, 69170 Croix, France. Tél: Croix 72 52 25.

International Audit Leading to Financial Management

European & Foreign Nationals

Our client, a progressive multinational oil field service group, operates in over 50 countries worldwide. They seek to recruit high calibre individuals of all nationalities for their corporate audit department to train for overseas line management positions within 12-24 months.

Candidates, 26-31, will be qualified accountants (or equivalent) with experience in the profession or industry. Excellent interpersonal skills, a positive commercial approach, ambition and mobility are essential. Language skills are a plus.

Initial assignment will be in the corporate internal audit group responsible for conducting financial and operational audits throughout the company. In addition, a number of special projects and studies will be carried out. This will allow extensive exposure to senior management and company operations, and will involve a high degree of worldwide travel.

The company has an excellent reputation for individual development and a candidate who can demonstrate strong ability and performance can expect to be assigned overseas as a Financial Manager within 12-24 months, which will result in an enhanced remuneration package.

Interested applicants should contact David Nicholson ACA on London 831 0431 or send a comprehensive c.v. to Michael Page International, Sicilian House, Sicilian Avenue, London WC1A 2QH, quoting ref. 932.

MP

Michael Page International
Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

EUROPEAN AUDIT PROFESSIONALS International Operations London — £12,000 - £15,000

N.I. Industries Inc., a leading manufacturer and supplier of petroleum services and chemical products with annual sales of around \$1.5 billion, requires two audit professionals to join its audit staff who are responsible for auditing International Operations in the UK, Europe, Africa and the Middle East. These positions, which report to the London based European Audit Manager, are vacant as the result of the previous incumbents being promoted.

The successful candidates will probably be chartered accountants with up to four years post qualification experience. Relevant experience should include auditing of multi-national companies and a second language is desirable but not essential.

The position is based at our Mayfair headquarters and will involve extensive UK and overseas travel.

Please reply, in confidence, giving concise career and personal details, to:

**F.A. Abercrombie
International Recruitment
N.I. Petroleum Services
35/36 Grosvenor Street
London W1X 9FG**

Australia

Following the recent opening of our office in Sydney we would be interested to hear from experienced international bankers or finance executives seeking to relocate to either MELBOURNE or SYDNEY.

We would be particularly keen to receive applications from Chartered Accountants or bankers with experience of Capital Markets, Foreign Exchange and Money Markets, Trade Finance or Corporate Finance. Preference will be given to applicants who are Australian

citizens or have the possible right of permanent residency.

Applications will naturally be treated in the strictest confidence. In the first instance, please send a full Curriculum Vitae including a photograph to:

**Roy Webb, Managing Director,
Jonathan Wren International Ltd,
170 Bishopsgate, LONDON EC2M 4LX,
tel: (01) 625 1266, telex: 8954673 WRENCO.**

London - Sydney

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Foreign Exchange Manager

**Boston Financial Limited
Sydney, Australia.**

Boston Financial Limited, the wholly-owned Australian subsidiary of the Bank of Boston, is a full service Merchant Bank with branches in Sydney, Melbourne, Perth and Brisbane.

We are seeking an experienced trader to develop and supervise all aspects of foreign exchange. The Foreign Exchange Manager will report to the Director-Treasury, also located in Sydney.

Although an Australian national is preferred, Boston Financial will consider corporate sponsorship for permanent residency in Australia, as well as meeting all relocation expenses.

An attractive salary package for this important position (including company car, low rate mortgage and pension benefits) will be negotiated.

All applications will be treated in strict confidence and should be addressed to: John Watkinson, Personnel Manager,

**The First National
Bank of Boston**

5 Cheapside, London, EC2P 2DE.

Accountancy Appointments

Top Financial Executive International Business Ventures London base £50,000, fully negotiable

This appointment represents a most unusual opportunity to work alongside an imaginative and creative entrepreneur of independent means, who is in the process of developing a substantial international group of companies with a London headquarters. The success of the enterprise will depend to a large extent upon the skills brought to bear by the entrepreneur's "right hand man" at top corporate level.

The importance attached to this appointment makes it essential to attract an executive of the highest possible calibre. The ideal profile would be that of a qualified accountant, aged 35-43, with experience both in a large industrial group and with an international bank, but applications are invited from any executives whose backgrounds seem to qualify them for a role concerned with strategy development, financial

structuring, investment appraisal, negotiations and trouble-shooting. Total flexibility, energy, entrepreneurial flair and drive are key characteristics. A great deal of overseas travel, notably to the USA and the Far East, will be involved. In return, our client offers potential job satisfaction of a very high order, a most attractive remuneration package and the possibility of equity participation in the longer term.

Please write in confidence, enclosing career details and quoting reference 4901 to N.P. Halsey, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT
MARWICK

Chief Accountant

Surrey

Our client, a highly regarded Plc with wide industrial and commercial interests, is seeking to appoint a Chief Accountant for a subsidiary company manufacturing medical equipment. The company has a turnover of approximately £17m. and its products are already market leaders. It is looking to increase growth and profitability and key tasks will be to strengthen controls, to enhance the management information systems and to work closely with the Managing Director in the future development of the company.

The successful candidate will be a qualified accountant, preferably Chartered, aged 30 to 35, and will already have gained substantial line management

circa £20,000 + car

experience in a small or medium-sized manufacturing and marketing environment.

This is a "high profile" appointment and will offer group career opportunities to the successful candidate. Relocation expenses will be paid, where appropriate.

Please write in confidence, enclosing career details and quoting reference 5754, to Valerie Fairbank, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT
MARWICK

CHIEF ACCOUNTANT

W. LONDON

to £25,000 + car

Credit & Commerce Life is an established unit linked life assurance company with funds under management in excess of £50m. and a substantial capital base. The Company is an associate of a major international banking group with assets of over \$72 billion and which operates in 67 countries.

The Chief Accountant will be a member of the senior management. Reporting to the Financial Director, the successful applicant will be responsible for all aspects of the accounting work of the Company including the preparation and analysis of management information, budgetary control, statutory accounts and returns and the preparation of the Company's tax computation.

Applications are invited from qualified accountants aged under 40 preferably with insurance experience and who have experience of computerised accounting systems.

The remuneration package will include a salary up to £25,000, a company car, share options, BUPA, Group Life Cover, and relocation expenses where appropriate.

Please write with full cv to:

Geoff Ross, Financial Director

CREDIT & COMMERCE LIFE ASSURANCE LTD.

74 Shepherd's Bush Green

London W12 8SD



Financial Controller

North London

c£18,000+car

Our client is a specialist in the food service industry with substantial backing from a British plc in association with a US multinational. The group has experienced considerable growth in the UK and there are plans for rapid expansion over the next few years.

Reporting to the Financial Director, the role will take responsibility for the management of the finance department as well as the implementation of tight financial control.

A qualified accountant, aged 27-30, you will have a good academic background together with a first class track record

to date in a fast moving market sector. Proven functional achievement is essential as is the ability to relate to all levels of management in a marketing orientated environment. Previous experience of US reporting techniques would be an added advantage.

Prospects for promotion are excellent and will only be limited by personal performance and ambition.

Candidates should write to Nigel Hopkins FCA, Executive Division, enclosing a cv, quoting ref. 227, at 31 Southampton Row, London WC1B 5HY.



Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

International Oil Company INTERNAL AUDITOR

Standard Oil Company (Indiana) which operates on a world-wide basis as Amoco is one of the six largest U.S. oil companies.

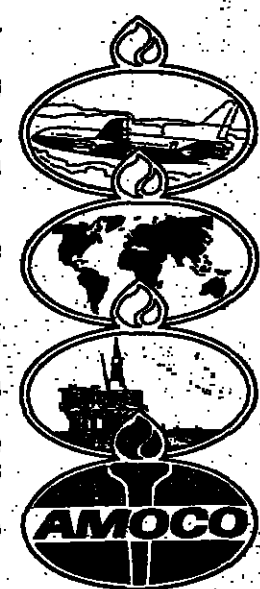
Our European Regional Audit Department is currently looking for an Auditor to join the team which is based in Central London. The position will require the ability to work with minimum supervision, together with good communication skills in order to make a positive contribution to discussions with senior management.

Internal auditing assignments, which include operational auditing, will involve travel in the U.K., Europe, Africa and the Middle East and therefore a working knowledge of French, Spanish or German would be an advantage.

Applicants should be qualified Accountants, ideally Chartered and preferably aged between 25-30 years, who have a minimum of two years' post qualification audit experience. A degree in accounting or business studies would be an added advantage.

An excellent salary commensurate with experience will be offered to the successful applicant, plus the normal fringe benefits associated with an international oil company.

Please write with full details to: Mrs. L. T. Nee, Amoco Europe and West Africa, Inc., Amoco House, 1 Stephen Street, Tottenham Court Road, London W1P 2AU.



Group Chief Accountant

SW London

excellent salary+car & benefits

Our client is the UK subsidiary of a leading worldwide operating electrical concern. With diverse interests including telecommunications and the manufacture of electrical and electronic equipment, they are a highly successful organisation poised for further growth beyond their targeted business volume of £130 million this year.

They now require a Group Chief Accountant to be responsible for the accounts department, plus the corporate control function within a variety of subsidiary companies. The successful candidate will be responsible for providing an effective accounting service for both the UK and overseas parent, including consolidations, development of computerised accounting systems and ensuring that the department is able to meet increasing demands resulting from the company's expansion and growth. Assisting the operating divisions and their General Managers, there will also be a significant need for financial and commercial input relating to major contracts and tenders.

Candidates, ideally aged 30-40, must be qualified accountants with an impressive career profile to date, which should include managing a well developed financial accounting function within a major organisation. The initial year of this appointment will be spent with the company's head office in West Germany, where the successful candidate will have the opportunity of gaining a fuller understanding of the operation and accounting requirements before returning to the UK to take up the Group Chief Accountant's role. There are also excellent opportunities for career development and progression for a person with commitment and ambition.

The remuneration package will include an excellent salary, additional compensation for period in West Germany, company car, non-contributory pension and annual bonus.

Candidates, male or female, should apply in confidence detailing their career history, salary and reason for application quoting reference MCS/6045 to:

Alannah Hunt,
Executive Selection Division,
Price Waterhouse,
Southwark Towers,
32 London Bridge Street,
London SE1 9SY.



ACCOUNTANTS

- INFLUENTIAL APPOINTMENTS

Inland Revenue - Liverpool
and possibly Bristol, Birmingham and London

These posts are in the Enquiry Branch which is part of the Revenue's counter evasion/avoidance division, responsible for investigating serious tax frauds, involving examination of private and business records. The Accountants advise HM Inspectors of Taxes on all accounting matters and are responsible for a personal portfolio of cases. Post-qualification professional office experience and ability to conduct high level interviews and to give evidence in contentious cases essential.

Home Office - London

This post will be responsible for all aspects of financial administration, accountability and control in the Directorate which provides engineering, procurement and technical support services on telecommunications for the police, fire brigades and other users in England and Wales. A wide range of accountancy and financial skills is required with the ability to communicate effectively with all levels of management.

All candidates must be Chartered, Certified, Cost and Management or Public Finance Accountants or be eligible for admission.

SALARY: £12,895 - £17,485, £1300 higher in London. Starting salary according to qualifications and experience. Promotion prospects.

For further details and an application form (to be returned by 17 April 1985) write to Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1UB, or telephone Basingstoke (0256) 468551 (answering service operates outside office hours). Please quote ref: G(2)/686/2.

The Civil Service is an equal opportunity employer

Financial Management In The Leisure Industry

c £15,000 + Car

An expanding subsidiary of a major corporate force in the leisure industry has two immediate vacancies for young, ambitious and commercially-aware Accountants.

Both will report to Board level and will be members of a small, dynamic management team responsible for the direction and control of an interesting mix of leisure businesses throughout the UK. Responsibilities include: the analysis of monthly accounts; profit forecasting; capital budgeting; preparation of feasibility studies; and the implementation of systems technology in a multi-location organisation.

Selected applicants will be qualified accountants with at least two years' post-qualification experience in a fmcc or retail environment and must be able to demonstrate a strong personality

London & East Midlands

and developed interpersonal skills. The ability to work accurately under pressure to tight deadlines is essential.

The remuneration package will include a starting salary negotiable c £15,000 with company car and expenses for relocation where appropriate. The prospects for further development - possibly into general management - should be excellent.

In the first instance, please send a detailed CV, naming any companies to which your application should not be forwarded, quoting Ref: FT/837 to

Mark Cartmel,
Riley Advertising
(Southern) Limited,
Old Court House,
Old Court Place,
Kensington,
London W8.



ABERDEEN BIRMINGHAM BRISTOL EDINBURGH GLASGOW LIVERPOOL
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Management Accountant

Leading firm of Solicitors

City

c£20,000+benefits

Our client is one of the UK's major practices with a long established reputation and international presence.

It seeks a commercially experienced qualified accountant, aged late 20s/early 30s. Reporting to the Financial Controller you must be able to make an immediate contribution to management reporting and the further development of computerised systems.

The personality and ability to

communicate effectively with professionals at the highest level and proven planning and accounting skills are therefore essential requirements.

This is an exceptional opportunity to join a progressive and highly successful firm offering outstanding further career opportunities and a very competitive remuneration package.

Contact David Tod BSc FCA
on 01-405 3499
quoting ref D/71/LF.



125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

WARWICK LEISURE LIMITED Assistant Accountant

SALARY c£15,000+BENEFITS

We are a privately owned company, part of the Multiple Sound Distributors Group, involved in the production and marketing of a wide range of leisure related products.

Due to continued expansion, we have created an opportunity within the Group for an Assistant Accountant. Under the direction of the Director of Financial Services, you will be responsible for the financial function for one of the companies within the Group.

Your responsibilities will include the maintenance and monitoring of financial records and their associated supporting information, together with the preparation of monthly management and year end financial accounts.

The position offers wide experience in the accounts department of this fast expanding Group and the ideal candidate should be a qualified accountant or on the last stage of a recognised accountancy qualification. A degree and/or professional experience in an industrial or commercial environment or in public practice would also be helpful.

Please write in confidence enclosing full career details to: Managing Director, Multiple Sound Distributors Ltd., 3 Standard Road, Park Royal, London NW10 6EX.

Accountancy Appointments

Meet the objectives...

We need to make two key appointments in our Finance Division. One will be based at our London offices, the other at our Finance and Data Processing centre in Luton.

BTIS, one of Britain's major retailers, is making substantial changes to both its retail image and its internal operations. Current turnover of £500m+ and development expenditure of £50m+ is based on 128 stores across the UK. These changes require confident and professional management to ensure that the underlying strategic objectives are met. These roles are at the centre of these challenges and will involve the appointees with senior management across our business.

Assistant Chief Accountant

c.£22,500 + car Based in Luton

Responsible to the Chief Accountant for the two departments which prepare management and statutory accounts, and produce financial plans and analysis. A key feature of the work is the effective assessment of our results generated in the main through computerised systems.

The successful applicant is likely to be a qualified Accountant, aged around 30, who can demonstrate initiative and achievement in their career to date. He or she must have the management skills to lead a team of people which includes professional staff.

Treasurer

c.£22,500 + car Based in London

Responsible to the Finance Director for a streamlined Treasury operation encompassing the management of loans and deposits, foreign exchange, cash transmission, forecasting and planning, banking relationships and special projects such as the introduction of EFTPOS. The successful applicant will also be expected to participate in corporate finance activities not normally associated with Treasury.

Candidates will be judged on ability rather than age or qualifications. However, at least 2 years experience in a treasury environment is required together with commercial awareness, intelligence and excellent communication skills, both written and oral. An understanding of 'modern financial theory' will be a distinct advantage.

Remuneration and benefits will complement these responsibilities. Both appointments offer scope for personal development. To apply, please send a detailed CV and salary history to Mike Smith, Personnel Controller, British Home Stores plc, 129-137 Marylebone Road, London NW1 5QD.

behind our changing face

BHS

Audit Management

East Anglia

c.£22,500 + car

The internal audit function is seen by this prominent British plc as an excellent platform for promotion within the group. The Manager of Internal Audit has moved for this reason, and a successor is required to head the seven-strong department, which services businesses in 20 countries. We seek a chartered accountant in the early/mid 30s whose professional training has been developed in a substantial multi-national, and who is familiar with North American operations. The abilities to motivate

and schedule the function effectively, and to generate credibility with management on all levels, are key features of the role. A thorough familiarity with computer auditing and systems development is also essential. A second European language would be an asset. Blue-chip company benefits, including removal expenses and car, with salary negotiable at the level indicated.

PA

PA Personnel Services

Executive Search • Selection • Psychometrics • Remuneration & Pension Consultancy

Ryde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 0000 Telex: 27874

Marks & Spencer Treasury Analysis

c.£15,000

Marks & Spencer is one of Britain's most prestigious companies with stores in the U.K., Europe and Canada. This international, blue chip organisation can demonstrate a record of consistent growth both in volume and profitability and can look forward to sustaining this success in the future.

An excellent career opportunity exists within the Treasury Department in Baker Street, London. Joining a small professional team, the Treasury Assistant will be responsible for the cash flow forecasting function, the preparation of accounts for St. Michael Finance and will assist in the evaluation of treasury projects.

Suitably qualified candidates, aged mid 20's, should possess experience in accountancy and financial modelling including first hand exposure to personal computers. Previous experience within the corporate treasury function of a major group would also be an advantage.

A first-class benefits package includes a non-contributory pension, free life assurance and profit sharing after a qualifying period.

Please apply directly to Jeff Groat at Robert Half.

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
ROMAN HOUSE, WOOD STREET LONDON
EC2Y 5BA 01-638 5191

FINANCIAL CONTROLLER

South Manchester

A leading manufacturer of electronic equipment and distributor of printers and computer peripherals has successfully negotiated a significant capital injection to assist in the funding of its future development.

The company is expanding into new product and marketing areas. This rapid growth necessitates the appointment of a technically strong financial controller to strengthen the entrepreneurial management team. Reporting to the managing director, the financial controller will be responsible for developing the accounting functions within the company.

The successful candidate will be either ACA/ACMA or ACCA and have proven experience of management, together with the necessary ability to communicate clearly with management of different disciplines. This position offers the opportunity for a board appointment after a suitable period of time.

Salary £15,000-£16,000 depending on experience plus car allowance.

Write Box 48934, Financial Times, 10 Cannon St, London EC4P 4BY

Financial Controller/ Company Secretary

W. London c£17,500+Car+Benefits

Our client, a subsidiary of a U.S. multinational, is a £5 million+ turnover manufacturing company with substantial interests overseas.

They seek a first rate Accountant to head the accounting function and assist in the strategic development of the company, working closely with the Managing Director.

Applicants, unlikely to be aged under 35, will preferably be ACMA or ACCA, with

manufacturing experience preferred. A positive approach and the ability to motivate a key management team are essential qualities.

Candidates capable of absorbing a high level of responsibility should contact Bob Williams on 01-242 0965 or write, enclosing a comprehensive CV, to Michael Page Partnership, 31 Southampton Row,

London, WC1B 5HY, quoting ref. L2021.

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney

Group Finance Director

W. London

from £35,000 p.a.

Our clients are a substantial, old-established public company operating in the UK and overseas with a turn-over of approximately £350m. The principle activity is construction but there are also significant interests in property development, mechanical engineering, laboratory instruments and other services for construction and industry.

They wish to recruit a Group Finance Director who will be responsible to the parent board. The successful candidate will be the finance member of the Board's Executive Committee, and will contribute positively to the overall direction and control of group operations.

Applicants, mature and widely experienced Chartered Accountants,

must be able to demonstrate an extensive knowledge of the construction and related industries, together with experience of international finance at a very senior level. The remuneration package will reflect the heavy demands of this important post.

Please write in confidence with brief career details, quoting reference S177 to J. W. Hills, Executive Selection Division, Peat Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

UNIVERSITY OF WARWICK

Ernst and Whinney
Professor of Accounting

Applications are invited for a new Professorship of Accounting recently established in the School of Industrial and Business Studies by a generous donation from Ernst and Whinney.

The successful applicant is likely to have a strong academic background; industrial/commercial experience; a reputation as a teacher; a sound research record and continuing research potential; and the ability to offer imaginative academic and administrative leadership in the development of industrial and business studies within the University. A professional accounting qualification would be an advantage.

The appointment will be made with effect from 1st October 1985 or at a date to be agreed.

Further particulars are available from The Registrar, University of Warwick, Coventry CV4 7AL quoting Reference No. 33/A/85/M. Closing date for receipt of applications 18th April 1985.

EXECUTIVES

We would like to hear from the one or more people reading this advertisement who qualify for the position advertised.

He or she will have in-depth commercial experience, be able to act in an entrepreneurial environment and be able to deal and negotiate at all levels. The company is established worldwide and the travel requirement is extensive. The emphasis is exclusively on performance and the ability to work within a small team. The terms will be tailored to the individual but would after evaluation be substantially more than is usually found.

Write Box 48949, Financial Times, 10 Cannon St, London EC4P 4BY

Chief Accountant

c.£27,000+car
+substantial share options
Provincial Location

A major British consumer product marketing group, with a blue chip record as innovator and market leader, wishes to appoint an outstandingly successful Chartered Accountant to this senior role.

The Chief Accountant will assume responsibility for the entire financial accounting function, financial systems and treasury activities through 3 senior managers who control a total staff of over 100 people.

Candidates should be top calibre professional managers who can demonstrate success at a senior management level in the accountancy function of a major company where events move rapidly. Outstanding senior managers in a major professional firm will also be considered.

Terms, conditions and prospects will match the high level of attainment required and the likely aspirations of the individual being sought. Age guideline early 30's.

Please apply in confidence, quoting ref. L 165, to:

Brian H Mason,
Mason & Nurse Associates,
1 Lancaster Place,
Strand,
London WC2E 7EB.
Tel: 01-240 7805

Mason & Nurse
Selection & Search

"A role in a sizeable Insolvency Practice leading to Partnership in 3 to 5 years".

INSOLVENCY ADMINISTRATION

ACA's 28 +

- MIDLANDS -

Salary £ negotiable

Our client, a major international firm of chartered accountants, is seeking to strengthen its Insolvency Practice in the Midlands. Whilst it would welcome applications from existing Insolvency Practitioners at any level, it is also prepared to offer training to candidates, without previous Insolvency experience, from public practice or seeking a return from commerce/industry.

Key attributes in candidates (male or female) would be a positive, confident, extrovert personality, good conversation ability, commercial ideally 'entrepreneurial' flair, and first class investigation skills.

This is a rare opportunity to work with and learn from a leading figure in the Insolvency field which should lead to Partnership in due course.

For more information please contact George Ormrod, B.A. (Oxon), or Tim Forster, B. Comm. on 01-636 9501 or write with your C.V. to Douglas Llamblas Associates Limited at our London address quoting reference number 5134.

410 Strand, London WC2R 0NS. Tel: 01-636 9501
26 West Nile Street, Glasgow G1 2FF. Tel: 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Finsbury Street
Manchester M2 2EX. Tel: 061-236 1553

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Douglas Llamblas Associates Limited
Accountancy & Management
Recruitment Consultants

DIA

INTERNAL AUDIT DIVISION

Co-ordinating technological initiatives

£17,000 + car + benefits Milton Keynes

The Abbey National Building Society is an enthusiastic exponent of innovative DP technology. This is reflected in the appointment of a Co-ordinator for technology and development as one of four senior managers in the Audit Division. The work of the Division covers internal audit, branch inspection, security and investigative functions and the appointee will be expected to contribute to the management and development of the Division as a whole.

The Co-ordinator is at once a technical specialist and a project manager, responsible for ensuring that the Division is aware of, responds to and takes advantage of new technological developments. He or she is not merely a static source of advice and expertise, but will "drive" new technology reviews and introductions, drawing upon the Division's 75-strong staff to create and run multi-skill working groups.

Such projects will frequently centre on major new business systems, strategies or policies, so affording the Co-ordinator a privileged viewpoint and influential involvement at the heart of the Society's activities.

Success in this role could open up wider management prospects within the next few years.

Applicants, probably aged 30-40, must be either

accountancy professionals with specific experience of DP audit, or DP professionals with project leadership experience on financial or closely-related applications. Sperry knowledge is an advantage. A degree or equivalent qualification is preferred, but more important are personal qualities of diplomacy, resilience, and strengths as a team leader and member.

Excellent benefits include company car, subsidised mortgage and BUPA and assistance with relocation to Milton Keynes.

For an informal discussion about this post, please John Eves, Chief Internal Auditor, on 01-637 3488, ext 3077. Alternatively, send full cv with details of experience to date to Marcia Nighingale, Personnel Department, Abbey National Building Society, UK House, 180 Oxford Street, London W1, or phone her on 01-637 3488 ext 3152 for a Job Description. Applications must be returned by 3rd April 1985.

ABBEY NATIONAL BUILDING SOCIETY

Accountancy Appointments

Director of Finance

Publicly quoted group

Central London

£35,000+ car and benefits

The Group is well established within a specific segment of the chemical industry. Publicly quoted and with a turnover exceeding £35m, its five main operating units are based in the United Kingdom and two other EEC countries.

Key responsibilities will be for the financing of the Group, monitoring the performance of its operating units and working with other Board members to plan and implement strategies for future development of the Group.

Candidates must be qualified accountants, preferably Chartered and with considerable experience of all aspects of financial management in a process industry.

Some experience of dealing with the City is desirable. Preferred age is around 35 to 40.

Personal qualities must include a high degree of commercial awareness and a determined but diplomatic approach.

Please send full personal and career details to Stephen Ogle, quoting reference 1433/FT on both envelope and letter.

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Haskins + Sells**
Management Consultants

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WALLINGTON

(SURREY)

Practice

£100,000+

GRFs wish to obtain qualified equity partner to take charge of block of clients.

No goodwill payment required.

Details to Box A8945

Financial Times
10 Cannon Street
London EC4P 4BY

MANAGEMENT CONSULTANCY.

A chance to break out of the mould.

You are a qualified business professional. You are established in your chosen career. You are intelligent and resourceful. But disillusioned with the knowledge that the nature of the work you will be handling today will be pretty much the same tomorrow, next year and probably for the rest of your commercial life. That worries you.

It concerns you because you are fully aware that you need a wider vehicle for your inquiring mind, a greater stimulus for your developing intellect and a more varied work-load to broaden your commercial or industrial experience.

Would you welcome the opportunity to break out of your mould? Would you risk facing challenge, direct responsibility and complex problem solving? Would you enjoy going in where some angels fear to tread?

If you are still saying yes, you are clearly someone

who should investigate the potential of management consultancy.

Our client, who has retained us to advise on these appointments, is one of the fastest growing of the big firms. London based, they have character, dynamism and an open, informal structure where ideas flourish. An excellent training programme will help you develop quickly, as indeed will your more experienced colleagues. In your first year you can expect to earn up to £26,000 plus a car; and, of course, you'll never have to do the same thing twice!

If you've got a good first degree and an appropriate professional qualification please write or telephone (in the strictest confidence) to arrange an informal discussion to: John L. Thompson, Thompson Associates Ltd., 232 Portland Road, London SE25 4SL, quoting reference 2044. Telephone: 01-656 8323 (day), or 08832 2484 (after 8.00pm).

FINANCIAL CONTROLLER

(Director Designate)
COMMODITY TRADING

London Based £18,000 - £20,000 pa

Our Client is an internationally respected commodity trading house, part of a major group with interests already spanning several industries and with plans to expand into new product and marketing areas.

To further strengthen an established management team based in the City and dealing in commodities throughout the world, a technically strong Financial Controller is required who has extensive multi currency experience. He/she should be capable of providing a positive contribution to the growth of the Company and will head up and control the finance and administration services. This will entail establishing new systems and procedures, producing information for management and assisting the Chief Executive as necessary.

Our Client requires someone probably in their thirties who is a qualified accountant, fully experienced in systems development (including computer applications), who has an aggressive commercial outlook and a flair for the problems of international trade.

A competitive salary will be offered together with a full range of benefits which include pension scheme, free medical insurance, company car, etc.

Please send full details to: Andrew Millhouse, Ref 357, Managing Director, Deansgate Management Services, 63-66 St. Martin's Lane, London WC2 4JX. Tel: 01-240 9555

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LONDON AND MANCHESTER

Creative Audit

N.W. Surrey c. £16,000

Are you CA or ACA, aged say 24-28, with first class systems audit experience in a major practice and the personal qualities appropriate to accelerated career development in industry? Are you willing to travel extensively (a car will be provided)?

If so, this management audit vacancy at the centre of a major British group with overseas interests may be of interest. The small team concentrates on control and information improvements (prevention rather than cure) in a sophisticated industrial environment. Prospects are excellent.

For full job description write in confidence to John Courtis at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting ref. 7173/FT. Both men and women may apply.

JC&P

... John Courtis and Partners ...

Chartered Accountant Mid/Late 20's

UK based European role with
major US Hi-tech manufacturer

to £24,000 + car + bonus + stock option

This stimulating and demanding role is a superb opportunity for a young chartered accountant to develop a career in a really international environment. The company is a leader in its field of micro-electronics, committed to innovation and product development with a justified reputation for good management.

As European Audit Manager you will lead a team carrying out financial and operational audits in 14 countries. The role is a mixture of internal consulting and auditing. This will involve extensive travel both in Europe and to the US from a Swindon base. Success in this role will lead to opportunities in financial management either in the UK or overseas.

You must have a degree and at least 3 years' post-qualification experience either in the profession or in industry/commerce, plus good interpersonal skills and a high level of energy.

Excellent benefits include BUPA and assistance with relocation expenses, where appropriate.

Please write with full details. These will be forwarded direct to our client. List separately organisations to whom they should not be sent. B. G. Woodrow ref. B.1955.

This appointment is open to men and women.

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Chief Accountant/ Company Secretary

Staffordshire, c.£14,000 + car

The client is a well known and very progressive, privately owned company which manufactures and sells a leading range of tableware to home and export markets. This important appointment represents an interesting and challenging career development opportunity. Reporting to the Managing Director, responsibility will be for the integrity of the accounting system, statutory and internal reporting requirements, the company secretarial function and the performance of an accounts team. Candidates, aged 28/35, must be qualified accountants and have a progressive track record gained in a manufacturing environment. In depth knowledge of standard costing, budgetary control and computer systems is desirable. Relocation package available.

J.H. Wright, Ref: 36421/FT. Male or female candidates should telephone in confidence for a Personal History Form 021-622 2961, Albany House, Hurst Street, BIRMINGHAM, B5 4ED.

Systems Development

London from £20,000 + substantial benefits

Our client is one of the UK's largest and most prestigious financial groups. It operates and is further developing an extensive range of complex computer systems to cater for the scale and diversity of its business.

Due to continuing demands on the small team responsible for the development of these accounting systems, it seeks a qualified accountant (late 20s/early 30s) who can make an immediate contribution.

Your first assignment will be to lead a multi discipline project team in implementing a new general ledger for

the group. Therefore relevant implementation experience in a large organisation is essential.

This major exercise will involve exposure to the many facets of the group's business and will therefore provide an excellent base for career progression, which need not be restricted to systems development.

Salary is negotiable and the benefits include a non contributory pension and subsidised mortgage.

Contact David Tod BSc, FCA
on 01-405 3499
quoting ref: D/68/ST

**Lloyd
Management**

125 High Holborn - London WC1V 6QA - Selection Consultants 01-405 3499

Financial Controller

London

c.£18,000+car+bonus

Our client is the London office of the world's leading producer of business meetings and industrial presentations. They now seek a practical, business-minded Accountant for their fast-growing European operation, which currently employs some 80 staff.

Reporting to the Managing Director, you will take full responsibility for the finance and management reporting function, supervising a small department. The emphasis will be on improving the accounting controls and developing financial systems utilising a recently installed IBM System 36.

Applicants should be qualified, preferably ACA/ACCA, aged 27-45 and have experience of running an accounts department and establishing effective levels of control. Qualities of initiative, good communicative skills and a practical approach to tasks are most important.

Long-term prospects with this profitable and expanding company are attractive and the successful candidate can expect a directorship within two years.

Please apply in confidence with a full C.V. and quoting reference MCS/2004 to Milton Ives, Executive Selection Division, Price Waterhouse, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Price Waterhouse
Business Needs Experts

Operational Analysis

W. End £15,000-£20,000

Our client, a progressive US multinational, is currently enjoying a period of unprecedented growth and development. The company now requires two young qualified accountants to form a new trouble-shooting team.

The purpose of these high profile roles is to review the performance of operating units in Europe, U.S.A., Australia and the Far East, examining all aspects of operations (financial and non-financial) with emphasis on risk analysis, management information review and advising on specific accounting problems. This key function offers considerable exposure to top-level management and a real opportunity to contribute significantly to company performance.

Prospects are excellent in a rapidly developing, highly professional environment where new opportunities are constantly opening. Candidates must be ready to travel, and fluency in a European language would be an advantage.

Initial enquiries to Greg Ripley.

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS
ROMAN HOUSE, WOOD STREET LONDON
EC2Y 5BA 01-637 5191

City Recruitment Consultants

MANAGEMENT AND FINANCIAL ACCOUNTING

City Merchant Bank

Our client, a prominent and expanding Merchant Bank currently seeks to appoint experienced bank/accounting staff for the following positions in their central financial control area.

Financial Accountant

Responsible for the supervision and production of a broad range of balance sheet based management information of the parent bank and its subsidiaries including the preparation of the statutory accounts and external and internal reports and statistical information including involvement with the implementation of new systems. Whilst an accountancy qualification is desirable, practical experience is of greater importance.

Management Reporting Senior

To assist in the production of internal management information and the preparation of Bank of England returns. Candidates should be experienced in the preparation of statistical information including general knowledge of Bank of England returns production from computerised systems.

Salaries are negotiable reflecting age and experience and are accompanied by a comprehensive benefits package, including mortgage subsidy and profit share bonus.

For further details please contact Lewis Marshall on 023 4889 in strict confidence

Accountancy Appointments

Financial Controller

from £20,000 + car

Our client, a highly successful Division of a major British Group, is already a household name in its own right and has ambitious plans for the future.

This is a post on the first-tier executive of a close-knit headquarters team which is responsible for providing strategic direction to existing businesses, and also for seeking out opportunities for profitable expansion in both the UK and Europe.

The requirement is for someone to provide a professional and highly commercial input to develop performance and review procedures (not exclusively financial); to develop consolidated forecasting and control data; and, to provide financial assessment of proposed new business activities.

To apply you must be a qualified accountant, almost certainly chartered, in the 25-35 age bracket, with a proven ability to relate your specialist professional skills to the achievement of broader business objectives. Success in this post would certainly lead to career openings in financial, or perhaps general, management within the Division itself or elsewhere in the parent Group. The location is St Albans.

Please send full cv which will be forwarded to our client unopened, quoting ref: W4154/FT. Please address to our Security Manager if listing companies to which it should not be sent.

PA

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

Finance & Administration Manager

(Director Designate)

up to £18,000 + car

For a profitable U.K. Sales and Marketing subsidiary of a highly reputable German manufacturer of top quality, premium priced, consumer durables. There are three major tasks; manage all financial affairs and produce computerized financial and management accounts; contribute to policy particularly in pricing and discounts - and control; and provide secretarial and personnel services.

We seek a qualified accountant, aged at least 30 with line experience in a branded consumer goods company. Experience of IBM System 34, a broad view of the business and the ability to provide competent administration are very important.

Benefits include a car, profits related bonus, pensions and private health insurance. The base is West London.

To apply please write in confidence, giving details of age, experience, qualifications and present earnings quoting Ref 901. No information will be divulged to our client without your permission.

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7 College Street, Nottingham.
MANAGEMENT SELECTION CONSULTANTS
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Financial Accountant

Prospective Controller

to £20,000 + car

An £80 million subsidiary of a major high technology group is seeking a highly ambitious Accountant to take control of all facets of financial accounting from control of accounting standards, principles and procedures through to asset management and effective financial reporting. There is a department to manage and new computer systems to introduce. The role should have a substantial impact on the operation and profitability of the business and will involve high level exposure to management.

Within 2 years the successful applicant should be sufficiently qualified to promote to a Financial Controller position. Experience of management accounting/financial analytical work will be provided if necessary.

Applicants should be Chartered Accountants trained in a major accountancy firm. Experience is needed of rigorous multinational reporting requirements, either gained first hand or by close involvement from the profession. The ability to manage people effectively under pressure is essential.

Age guide 28-32. Location Essex.
Please apply in confidence, quoting ref. 1170, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Graduate ACA

City of London

c£16,000

+ Usual Banking Benefits

Due to major recent developments, an exceptional opportunity has arisen within this prestigious British Merchant Bank.

Challenging areas of responsibility will include development of management information systems, financial reporting, preparation of budgets, forecasting and ad hoc analyses, ensuring that changing information requirements are met.

The successful candidate will probably be a graduate ACA from a

Top 8 firm. Bank audit experience, together with an understanding of modern treasury accounting, products and services is essential. Personal presentation must be immaculate and good interpersonal skills are important. Dynamism and self-motivation will ensure success within this exciting and rapidly changing environment.

To apply please telephone or write in confidence to Susan Tucker quoting Ref: ST9177

Lloyd Chapman Associates

International Search and Selection
160 New Bond Street, London W1Y 0HR
Telephone: 01-408 1670

Accountant

West London

c.£16,000

Our client, a major plc, wishes to recruit a qualified and experienced accountant for one of its operating units.

The successful candidate, ideally aged up to 35, will have a number of years experience in a manufacturing environment and will be expected, in addition to managing a staff of around 6, to contribute to improving profitability and provide financial advice on policy and performance.

The successful candidate will be qualified ICMA or ACA and in addition to manufacturing experience should have been involved in the installation of computer systems, and be used to working to corporate set deadlines.

In addition to the salary mentioned above, there are the usual benefits associated with a large company.

Confidential Reply Service: Please write with full CV quoting reference 1934/J5 on your envelope, listing separately any company to whom you do not wish your details to be sent. CVs will be forwarded directly to our client, who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

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Treasury Analyst

The BOC Group plc, the parent Company of one of Britain's largest international groups, is seeking a Treasury Analyst.

Reporting to the Deputy Treasurer, the jobholder will participate in a broad range of Treasury functions, including:

- * Development of computer based Treasury systems.
- * Arranging the financing of overseas subsidiaries.
- * Evaluating alternative Group funding options.

The ideal candidate will be a graduate, aged 25-30 with an accounting qualification or an MBA. Some experience in the Treasury area would be useful together with a knowledge of computing and financial analysis techniques.

Based initially in Hammersmith, but relocating to Windlesham, Surrey, in the summer of 1985, this position offers a good opportunity to develop a career in Treasury Management or in a broader financial role with a UK multinational.

We offer an attractive salary plus free medical insurance and other fringe benefits. Please apply with full details to: Tina McKay, Personnel Manager, The BOC Group plc, Hammersmith House, London W6 9DX.

THE BOC GROUP

Can you make this team?

Ambitious Young Accountant

A group of 25 outstanding business people need a highly skilled Accountant to join them. The Allison Insurance Group is an international group of companies offering marketing, training and insurance services to the Finance and Motor Industries.

The company is young, rapidly expanding and successful. The Accountant will be responsible for the accounting and administration of our UK operations. The position is challenging: the individual needs to be diligent and accurate whilst being creative and energetic. The remuneration will be commensurate with the demands and importance of this position.

If you are a qualified accountant, probably in your mid-20s and believe you possess the necessary drive and commitment to secure your own success, please send your detailed curriculum vitae to:

MR G. B. MATHER
ALLISON INSURANCE GROUP LIMITED
101 NEW LONDON ROAD
CHELMSFORD, ESSEX CM2 0PP

Plant Financial Controller

S. HOME COUNTIES

To £20,000 + car

You would join a small, high calibre management team collectively responsible for meeting overall plant profit objectives. The plant is an autonomous self accounting unit which forms part of the European manufacturing division of a leading US multi-national which has an outstanding record of sustained growth.

The selection process will concentrate upon identifying individuals who in addition to their technical functional abilities possess certain personal qualities. Most importantly these must include a positive constructive forward looking approach and a determination to involve the Finance function in all aspects of decision making.

The post should be attractive to a qualified accountant, probably ACMA, in his late 20's or early 30's. Ideally though not necessarily, experience should have included a background in a high volume manufacturing environment utilising a fully absorbed standard costing system. Experience encompassing both financial and management accounting would be advantageous.

Our client offers a very competitive fringe benefit package including relocation assistance if required to a location on Surrey/Sussex borders.

Applicants of either sex apply in confidence to Michael Johnson on (0962) 53319 (24 hour service) or write to Johnson Wilson & Partners, Clarendon House, Hyde Street, Winchester, Hampshire SO23 7DX, quoting ref. 581.



Johnson Wilson & Partners
Management Recruitment Consultants

DIVISIONAL FINANCIAL CONTROLLER

Cheltenham

Dowty is a major engineering Group with a turnover in excess of £400m and with interests in aerospace, defence, electronics, mining and other industries.

The Group requires a Divisional Controller for the central financial department located at Group Headquarters in Cheltenham. This is a senior position answering to the Group Chief Accountant who in turn reports to the Group Financial Director. The job involves frequent contact with members of the Main Board, and with Directors and Senior Managers elsewhere within the Group.

Responsibilities would include the business and technical appraisal of subsidiary company financial information prior to its computerised

consolidation for management and statutory purposes. Work would also be undertaken on a range of commercial and financial matters including acquisitions, currencies, pricing and liaison with auditors and tax advisers.

Applicants, male or female, should be qualified Chartered Accountants either currently working within the profession as a manager, or at an equivalent level within industry. Preferred age range 26-33.

Salary is negotiable and would interest individuals currently earning around £14,000 p.a. In addition to an attractive salary, the position carries a benefits package with relocation assistance where appropriate.

If you are interested, please telephone for an application form or send a CV to Geoff Richardson, Personnel Manager, Dowty Group Services Limited, Arle Court, Cheltenham, Glos. GL51 0TP. Tel: Cheltenham (0242) 533505.

DOWTY

Outstanding Opportunities in Internal Audit

Sea Containers Limited is the largest marine container lessor in the world. In 1984 it acquired, from British Rail, Sealink UK Limited. Its affiliated company SeaCo Inc. has leisure interests including luxury hotels, the Venice Simplon-Orient-Express train and a retailing operation encompassing the United Kingdom, Europe and North America.

The acquisition of Sealink and the growth of the leisure interests in SeaCo has created the need to establish a Group Internal Audit Department. The Department will operate to high professional standards and will carry out operational as well as financial audits throughout the Group. It will also undertake special projects for management from time to time. Based in London, travel within the UK and, to a lesser extent, overseas, will be a feature of the Department's work.

The Group Internal Audit Manager has been appointed recently and is now seeking staff for his department to fulfil both supervisory and operating roles.

A blend of experience and expertise is being sought. Common features that all candidates will be expected to demonstrate are commercial awareness, initiative and a sharp, analytical mind. They are likely to be qualified accountants, have above average communicative abilities and have had previous exposure to large or multinational organisations. Within these broad parameters, candidates may be seeking to move out of the accountancy profession, at any level from newly qualified to junior manager, or may already be in industry or commerce, either in another internal audit position or in a financial role.

The posts present the opportunity to contribute to the establishment of a new department and to assist management in improving the financial and operating systems of the Group. They offer long term career prospects either within the Department or, in due course, in a line management position.

Salaries of circa £18,000 per annum, plus company car will be paid for supervisory positions and circa £15,000 per annum for operating roles dependent on experience and qualifications. Other benefits are commensurate with a progressive, international company.

If you wish to be considered for one of the above posts, please send a comprehensive curriculum vitae, giving details of your current salary and a synopsis indicating how you would contribute to the establishment of the Department to:

Mrs E F Donnelly
Sea Containers Services Limited
Sea Containers House
20 Upper Ground, London SE1

sea containers

Accountancy Appointments

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Controller

Financial Services Company
North East Surrey, c.£23,000 + car

This sales driven company is a subsidiary of a prestigious UK group whose turnover exceeds £2 billions and is among the top consumer finance companies in terms of portfolio quality and profit. Continued impressive expansion necessitates the introduction of this new position to assist the Financial Director in operations and projects. The successful candidate will head a competent team producing statutory accounts, budgets and actuals and will make a major contribution to data processing development. Applicants, probably aged early thirties, will have degree level education, be qualified accountants (preferably chartered) and have experience in a closely related financial environment. They will have the capabilities to produce meaningful figures as a matter of course and the personal character to gain and keep the respect of management for commercial decisions and future planning.

LL. Duff, Ref: 18082/FT. Male or female candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/6 Argyle Street, LONDON, W1V 1AD.

Can we offer tax people a head start?



Right now you may be a manager, assistant manager, or supervisor. When you consider the immediate prospect of earning up to £25,000, and the opportunity to become a Partner within six years, it's hard to ignore the fact that you could well go further, faster, as one of our valued tax consultants.

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We believe that the opportunities in tax with Arthur Andersen are exceptional. Why not see for yourself by spending a day with us, talking to a cross-section of our staff?

As a first step to an opportunity that's not just better, but better by far, write to Faith Jenner, Arthur Andersen & Co., 1 Surrey Street, London WC2R 2PS, or telephone her on 01-438 3512.

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Godfrey Davis

Godfrey Davis, one of the largest Ford Main Dealers in the United Kingdom, is expanding and offers career opportunities for Qualified Accountants

CHIEF ACCOUNTANT/COMPANY SECRETARY

ST. ALBANS, HERTS
c. £19,000 + CAR

The successful applicant is likely to be aged between 28 and 40 and to have controlled a large computerised Accounts Department, probably in the retail motor trade.

The Group operates a non-contributory pension scheme which includes immediate life assurance cover.

Applications, which should include full details of position currently held, to: The Finance Director, Godfrey Davis (Holdings) plc, Stirling Corner, Elstree, Herts. WD6 2RL

INTERNAL AUDITOR

ELSTREE, HERTS
c. £14,000 + CAR

Applicants for the position of Internal Auditor should be newly-qualified Accountants with at least one year's audit experience.

Group Financial Controller

Southern England

c.£35,000+car

Our client is a UK public company who continues to grow through international development and acquisition. Operating in the manufacturing and high technology service industry, their current turnover is c.£60 million. Reporting to the Group Financial Director, the successful applicant is likely to be aged between 35-42 and a qualified accountant.

The successful candidate will combine high numeracy skills with an outgoing personality, able to command the respect of a world wide accounting function. Candidates should write to Nigel Hopkins FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 228, at 31 Southampton Row, London WC1B 5HY.

Michael Page Partnership
International Recruitment Consultants
London Bristol Birmingham Manchester Leeds Glasgow
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RECENTLY QUALIFIED ACCOUNTANTS

Move up in Life

c.£16K package

Rural Hampshire

TSB Trust Company is a major contender in the life assurance, general insurance, pensions and unit trust fields. Operating mainly on behalf of TSBs 6 million bank customers, the funds under management now stand at some £1 billion.

Sustained expansion has created the following key opportunities for high-calibre, recently-qualified accountants at our Head Office in Andover.

Life Insurance
Managing a small, specialist team you will assume financial responsibility for our extensive life and pensions portfolio. Life Insurance experience would be an advantage.

Management Expenses
Controlling an 11-strong group you will manage the purchase ledger and management expenses sections, with responsibility for

budgeting, cost control, planning and forecasts. Sound, relevant experience required. In both cases you can anticipate providing financial accounting and related information to Board and Line Managers and participating in the development of new products and systems. In return we offer excellent career prospects and a generous package which includes mortgage subsidy, non-contributory pension, profit share scheme, Christmas bonus and relocation assistance where appropriate.

To apply please telephone or write for an application form to Bill Brewer, Assistant Manager - Personnel, Personnel Department, TSB Trust Company Limited, Keens House, Andover, Hampshire SP10 1PG. Telephone Andover (0264) 58740.



Financial Analyst

A high profile planning role with outstanding prospects.
c.£15K • Central London

With international turnover standing at \$4 billion and UK sales alone topping the £100 million mark, NCR can genuinely claim to be one of the world's leading suppliers of complete business systems.

The Financial Analyst will have a wide-ranging brief to analyse current activities and reconcile these with marketing and financial trends. Essentially we are looking for a shrewd analyst who can prepare, co-ordinate and review long range plans for many different operating divisions. Someone who can directly influence marketing plans, prepare financial forecasts and produce annual profit plans, based on operational strategies. In addition, this key professional will undertake major projects, with little or no supervision, and then report directly to top management with detailed findings and recommendations.

Clearly, this level of responsibility calls for a qualified Accountant with an MBA or degree. A mature professional - probably aged 28-40 with 3-5 years' solid commercial experience gained in a large and heavily marketing-

orientated company. Someone who can analyse any project with critical objectivity, weigh-up the different permutations, consider all the commercial consequences and then recommend a decisive course of action. In short, the total professional who can confidently work with micro-computers, communicate at all levels and take over as Department Manager within 2 years.

In return, NCR offer a generous salary, bonus, non-contributory pension scheme, and the prospect of investing your future in a company that is in the forefront of the computer industry.

Please write enclosing full cv and current salary to: Cath Murphy, Personnel Manager, NCR Limited, 206 Marylebone Road, London NW1 6LY. Or for more information and an application form telephone 01-725 8195.

NCR

Complete computer systems

Financial Director

London To £30,000 + Car

Our client is part of a major electronics group - with an enviable record of growth and profitability - and generates in its own right a turnover in excess of £150 million. Founded upon a secure fiscal base, the company is markedly entrepreneurial in outlook and we have been asked to recruit a senior financial executive able to play a substantial part in shaping its commercial future.

An important element in the role will be the direction of the financial and management accounting functions - stressing the latter - but particular emphasis will be placed on strategic planning relating to existing and potential business (including new acquisitions). Close co-operation with other disciplines will be a salient feature, and the ability to understand non-financial perspectives is therefore essential.

Candidates should be qualified accountants with broadly-based experience at senior level within a large, marketing-oriented organisation. Commercial acumen, a flair for managing change, and personal 'presence' are essential attributes; a degree (ideally in business) would constitute an advantage. The preferred age-range is 35 to 45.

Applications, please, quoting: Ref. 154/1/FT, to S. C. Mackay, Charles Barker Management Selection International Ltd., 30 Farringdon Street, London EC4A 4EA. Tel: 01-634 1142.

CHARLES BARKER
SELECTION-SEARCH-ADVERTISING

Financial Controller

Applications are invited from qualified Accountants with extensive commercial experience for the position of Financial Controller to our client company - a leading fashion company based in the UK and overseas.

It is likely that the successful candidate will be earning £17,500+ in his/her present position and can expect to command an attractive salary package well in excess of current earnings.

Replies in strictest confidence should be forwarded together with curriculum vitae to:

L. S. Lazarus FCA, Arram, Berlyn Gardner & Co. Mortimer House, 37/41 Mortimer Street, London W1N 7RL

ACCOUNTANCY APPOINTMENTS

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GROUP FINANCIAL CONTROLLER

Aged 38-45 to £30,000 + benefits

Ruberoid plc is a quoted company comprised of subsidiaries active in building products, recycled paper, resins, veneers, plastics, marine and industrial paints and contracting mainly in the construction sector. The Group operates in the UK, Belgium and France and exports to over 60 countries. The Group turnover is in excess of £100 million.

A Group Financial Controller is required at the Head Office in London. He or she will be responsible to the Group Managing Director for the full range of financial activities of the Group including funding and cash management, taxation, preparation of annual accounts, budgets, monitoring and preparation of monthly accounts, etc.

The Appointee must be well educated, suitably professionally qualified and able to demonstrate relevant experience, leadership qualities, drive and rounded business and commercial capability. The age band is likely to be 38-45. The remuneration package is negotiable up to £30,000 plus benefits for an outstanding candidate. Please write in confidence with c.v. to:

Dr. J. A. Roberts
RUBEROID plc
1 New Oxford Street, London WC1A 1PE

GROUP FINANCIAL CONTROLLER

FINANCIAL CONTROLLER

A leading Group of companies engaged in the importation, manufacture and distribution of processed foods with an enviable growth record has recently restructured both its London-based trading and West Country manufacturing operations and is currently preparing a major new information strategy to carry the Group into the 90's. It now seeks to strengthen its finance function by making the following appointments, reporting to the Group Finance Director:

Group Financial Controller-London

To be responsible for all trading company and Group accounts, cash flow monitoring, development of management information etc.

Financial Controller-West Country

To be responsible for all accounts functions for two manufacturing companies, and to participate in management of other common services functions.

The above positions are unlikely to be of interest to people currently earning less than £18,000 and £16,000 p.a. respectively. Both positions offer company car, contributory pension scheme and free BUPA.

Applicants should be able to demonstrate relevant experience, the ability to contribute to improved profitability and strong commitment to progress in a fast-moving environment.

Full career details to Box AB947
Financial Times, 10 Cannon Street, London EC4A 3DF

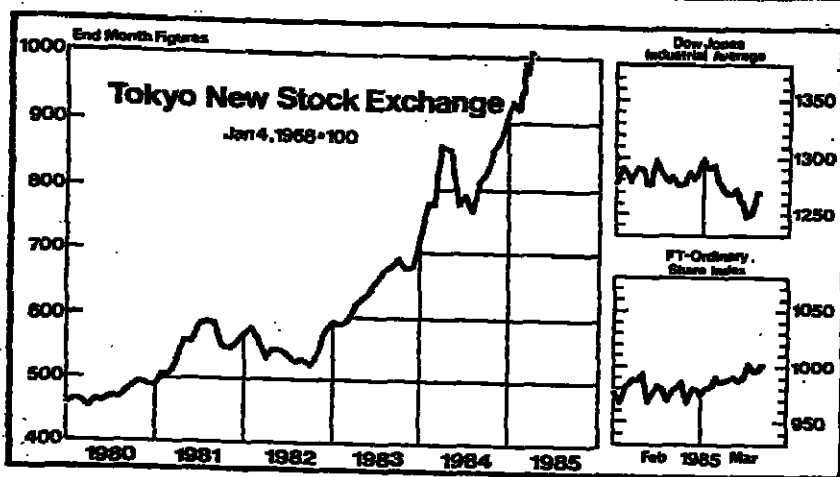
SECTION III - INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday March 21 1985

NEW YORK STOCK EXCHANGE 40-41
AMERICAN STOCK EXCHANGE 41-42
U.S. OVER-THE-COUNTER 42, 50
WORLD STOCK MARKETS 42
LONDON STOCK EXCHANGE 42-45
UNIT TRUSTS 46-47
COMMODITIES 48 CURRENCIES 49
INTERNATIONAL CAPITAL MARKETS 50

KEY MARKET MONITORS



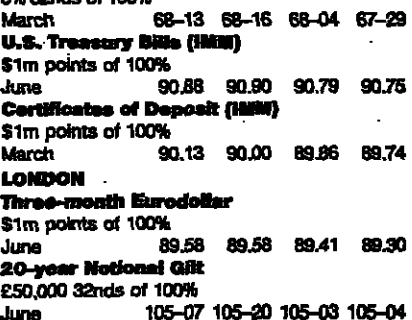
STOCK MARKET INDICES	Mar 20	Previous	Year ago
NEW YORK			
DJ Industrials	1,255.24	1,271.09	1,175.77
DJ Transport	599.09	603.30	516.26
DJ Utilities	148.21	148.70	127.99
S&P Composite	179.08	179.54	158.86
LONDON			
FT-100	1,001.9	997.5	901.4
FT-A All-share	1,307.2	1,304.5	1,123.3
FT-A 500	629.72	628.88	531.00
FT-A 100	888.94	887.66	577.75
FT Gold mines	517.7	507.0	680.6
FT-A Long gilt	10.67	10.73	10.10
TOKYO			
Nikkei-Dow	12,541.37	12,477.99	10,479.8
Tokyo SE	1,005.6	1,003.0	828.08
AUSTRALIA			
All Ord.	802.8	793.9	732.0
Metals & Mins.	490.8	476.7	506.2
AUSTRIA			
Credit Aktien	70.83	70.80	55.15
BELGIUM			
Belgen SE	2,305.11	2,302.82	-
CANADA			
Toronto			
Metals & Mins	2,055.7	2,083.6	2,315.0
Composite	2,603.2	2,621.8	2,407.8
Montreal			
Portfolio	129.70	131.01	118.26
DENMARK			
Copenhagen SE	178.04	177.62	181.04
FRANCE			
CAC Gen	205.5	205.8	160.9
Ind. Tendance	111.9	111.8	85.7
WEST GERMANY			
FAZ-Aktien	419.94	419.59	351.64
Commerzbank	1,217.5	1,217.1	1,032.3
HONG KONG			
Hang Seng	1,312.59	1,300.97	1,169.12
ITALY			
Borsa Comm.	276.44	273.50	222.37
NETHERLANDS			
ANP-CBS Gen	205.5	205.4	160.5
ANP-CBS Ind	164.7	164.5	132.0
NORWAY			
Oslø SE	315.98	314.82	254.33
SINGAPORE			
Straits Times	833.32	835.32	1,007.75
SOUTH AFRICA			
Gold	n/a	955.7	1,052.2
Industrials	n/a	962.5	1,074.5
SPAIN			
Madrid SE	111.98	111.91	82.9
SWEDEN			
J & P	1,432.87	1,430.43	1,515.73
SWITZERLAND			
Swiss Bank Ind	427.8	430.9	366.5
WORLD			
Capital Int'l	199.5	198.0	185.7

CURRENCIES	Mar 20	Previous	Mar 20	Previous
U.S. DOLLAR				
(London)				
\$	-	-	1.1515	1.1365
DM	3.2555	3.274	3.7475	3.73
Yen	256.1	255.95	294.5	291.5
FFr	9.96	10.015	11.5	11.38
SwFr	2.755	2.785	3.1575	3.1575
Outlander	3.6825	3.6975	4.23	4.21
Lira	2,072.5	2,078.5	2,382.0	2,365.0
BFR	65.6	65.8	75.45	74.95
CS	1.3725	1.377	1.579	1.59975
INTEREST RATES				
Euro-currency				
3-month offered rate				
\$			13%	13%
SwFr			5%	5%
DM			6%	6%
FFr			11%	11%
FT London Interbank funding				
(offered rate)				
3-month U.S.			9%	9%
6-month U.S.			9%	10%
U.S. Fed Funds			8.50%	8.5%
U.S. 3-month CDs			8.50%	8.5%
U.S. 3-month T-bills			8.50%	8.5%

U.S. BONDS	Mar 20	Yield	Mar 20	Yield
Treasury				
10/1987	98 1/8	10.77	98 1/8	10.759
11/1989	98 1/8	11.71	98 1/8	11.919
11/1991	98 1/8	11.91	98 1/8	11.928
11/2015	95 1/8	11.843	94 1/8	11.867
Corporate				
AT & T				
10% June 1990	94 1/8	11.80	94 1/8	11.80
3% July 1990	73 1/8	10.55	73 1/8	10.55
8% May 2000	74 1/8	12.55	74 1/8	12.55
Xerox				
10% March 1993	91 1/8	12.30	91 1/8	12.30
Diamond Shamrock				
10% May 1993	91 1/8	12.40	91 1/8	12.40
Federated Dept Stores				
10% May 2013	84.803	12.60	84.803	12.60
Abbot Lab				
11.80 Feb 2013	93.465	12.65	93.465	12.65
Alcoa				
12% Dec 2012	94.01	13.05	94.01	13.05

FINANCIAL FUTURES	Mar 20	High	Low	Prev
CHICAGO				
U.S. Treasury Bonds (CBT)				
9% 32nds of 100%				
March	68-13	68-16	68-04	67-29
U.S. Treasury Bills (IMM)				
\$1m points of 100%				
June	90.88	90.90	90.79	90.75
Certificates of Deposit (IMM)				
\$1m points of 100%				
March	90.13	90.00	89.96	89.74
LONDON				
Three-month Eurodollar				
\$1m points of 100%				
June	89.58	89.58	89.41	89.30
20-year National Gilt				
250,000 32nds of 100%				
June	105-07	105-20	105-03	105-04

GOLD (per ounce)	Mar 20	Prev
London	\$322.50	\$318.00
Zurich	\$323.00	\$318.50
Paris (franc)	\$323.79	\$308.20
Luxembourg	\$333.00	\$302.75
New York (Apr)	\$324.30	\$328.80
COMMODITIES		
(London)		
Silver (spot fixing)	\$55.10p	\$50.25p
Copper (cash)	£1,218.50	£1,229.00
Coffee (May)	£2,309.50	£2,232.50
Oil (spot Arabian light)	\$27.75	\$27.75



WALL STREET

Steady drift prompted by profit-taking

PROFIT-TAKING left Wall Street stocks easing back yesterday after the late surge of the previous session, while bond prices were higher in continued reaction to the Treasury's announcement of a smaller-than-expected mini-refunding programme next week, writes Michael Morgan in New York.

Stocks opened marginally weaker and continued to fall back as the morning progressed, but trading volume remained on the high side.

At the close the Dow Jones industrial average was down 5.85 at 1,255.24. In the credit markets, the reappearance of some retail buying early in the day helped the upward move in bond prices. The rise was also attributed to the smaller-than-expected \$18.25bn Treasury refunding package for next week and a federal funds rate that opened at 8 1/2 per cent and later eased to 8 1/4 per cent.

The price of the long bond, the 11 1/2 per cent of 2015, added 12 basis points to 95 1/8 while rises of up to 1/4% were seen in prices of other bonds. Treasury note prices were mostly a few basis points higher.

In the money markets, yields on Treasury bills eased. The three-month bill, yielding 8.50 per cent, was 4 basis points lower while the six-month bill, yielding 8.95 per cent, was also 4 basis points lower. Yields on certificates of deposit were up to 27 basis points lower.

Results of the Treasury's auction of \$9bn in two-year notes were scheduled to be announced late in the day.

In the stock markets, General Motors fell 3 1/4% to 74 1/4% in heavy trading as analysts at three brokerage houses reportedly cut their 1985 earnings estimates or downgraded their opinions on the car maker. The other motor manufacturers were also heavily traded, with Ford 1 1/4% down at \$42 1/2 and Chrysler 1 1/4% lower at \$53 1/4.

IBM dipped 1 1/4% to \$129 1/4 in continued reaction to the announcement, late the previous day, that it was to halt production of the PC-Jr personal computer next month.

Wang Laboratories fell 1 1/4% to \$18 1/4 as it asked about 6,000 U.S. employees to take holidays in the first two weeks of July so that plants could be temporarily closed and inventories reduced.

Apple Computer was 3 1/4% lower after Lotus Development announced it would be two months late delivering new software for Apple's Macintosh personal computer. Lotus traded down \$1 at \$26.

BankAmerica, the largest U.S. bank, eased 1/4% to \$10 after Standard & Poor's lowered its credit ratings. PepsiCo traded 1 1/4% higher to \$52 as the company dismissed market rumours that it might be acquired by Philip Morris for \$70 a share. Philip Morris eased 1 1/4% to \$91.

Broadcasters had a mixed day after the price surges of the previous two sessions. Capital Cities Communications shed 3 1/4% to \$100 1/4 while ABC was \$1 easier at \$100 1/4.

Union Carbide eased 1/4% to \$37 as it made public the results of its investigations into the cause of the Bhopal tragedy in India last December.

Triangle Industries added 1 1/4% to \$19 as a wholly-owned subsidiary began a tender offer for all outstanding shares of National Can at \$41 a share. National Can traded 3 1/4% higher at \$41 1/4.

Eaton Corporation, the motor parts and electronic equipment manufacturer, was delayed in opening due to an order imbalance. It later returned to trade down 3/4 at \$52 1/4 after an analyst took the stock off his "buy" list and lowered his 1985 earnings estimate.

Among corporate reporters, Toys R Us gained 1 1/4% to \$29 1/4, but Pillsbury gave up 1/4% to \$47 1/4 in the wake of their third-quarter figures. Jim Walter Corporation, the building and construction products

group, was 1/4% firmer at \$32 1/4 on higher second-quarter results while Hughes Supply, the electrical and plumbing group, was 1/4% lower at \$18 1/4 as it announced higher full-year figures.

Actively traded issues on the New York Stock Exchange included J. P. Morgan, 1/4% higher at \$46 1/4, Sterling Drug, 1/4% lower at \$30 1/4, and Tandy 1/4% lower at \$32 1/4. Amerasia-Hess put on \$1 1/4 to \$30 1/4.

On the American Stock Exchange, active issues included BAT Industries, down 1/4% at \$4 1/4, Dome Petroleum, 1/4% lower at \$2 1/4, Echo Bay Mines, 1/4% easier at \$10 1/4, and Astrotech, 1/4% easier at \$1 1/4.

EUROPE

Frankfurt financials find favour

HESITANCY over the short-term direction of both exchange rates and New York equities forced a subdued tone on many European bourses yesterday, although bank and airline issues encountered steady support.

The mixed finish in Frankfurt did not reflect the sharp switch from export-orientated stocks into financials as domestic and foreign investors re-evaluated the impact of the dollar on many recently favoured shares and waded in to take their profits. The Commerzbank index, calculated at mid-session, was barely changed at 1,217.5, up 0.4, but not far below Monday's record level.

The banking sector, which expected to report healthy profits near the end of this month, bristled with gains. Deutsche Bank snatched the laurels of the highest rise with a DM 8.50 surge to DM 442.50, a new peak for the year and a DM 14.50 rally so far this week.

Dresdner Bank's DM 4.80 increase returned it to a 12-month high of DM 193.30 while Commerzbank moved DM 2.50 higher to DM 171.30.

Car makers were caught in the cross-fire. Porsche slumped below DM 1,300 for the first time this month as it surrendered a further DM 27 to DM 1,283. The quality sports car group peaked at DM 1,388 on March 11.

Daimler managed to hold steady at DM 697 while BMW lost DM 3.50 to DM 397.50. VW, which has oscillated all week, picked up 50 pf to DM 205.

In chemicals, Bayer fell DM 4 to DM 220, BASF shed DM 1.30 to DM 210.20 and Hoechst dipped DM 2.30 to DM 214.50.

Metallgesellschaft reversed most of this week's earlier tone with a DM 12 rally to DM 274 while Degussa was brought DM 3.10 higher to DM 360 after Papua and New Guinea authorised re-opening of the Ok Tedi mine.

The dollar's renewed rise dampened a rally in the bond market although many public authority issues managed net gains on the day.

The Bundesbank sold DM 103m of paper compared with Tuesday's DM 171.3m sale.

Amsterdam gained momentum as the dollar firmed, but turnover remained small as investors headed for the sidelines pending a clearer trend. The ANP-CBS General index edged 0.1 ahead to 205.5.

International banks proved best performers of the day. Unilever added Fl 3 to Fl 349, Royal Dutch firmed 80 cents to Fl 199.30 and Philips, buoyed by a large order from China, picked up 40 cents to Fl 61.30.

KLM, the national airline, moved ahead for the first time this week with a 90-cent gain to Fl 61.20 while Océ van der Grinten recovered most of the previous session's weakness with a Fl 2 increase to Fl 311.

Among financials, ABN stormed back across the Fl 400 threshold with a Fl 7.50 dash to Fl 404.50. Aegon added Fl 3.50 to Fl 186, still firmly in the upper levels of its recent trading range.

Bonds moved 30 basis points higher with the early weakness of the dollar cited as a factor in the increased demand.

End-of-month liquidation dulled Paris trading although Thomson-CSF provided a feature with its FFr 28 advance to a new peak of FFr 530. Carrefour recovered most of Tuesday's sharp fall with a FFr 39 rise to FFr 1,985. Essilor was briskly returned to FFr 3,000 with one of the sharpest falls of the session, a drop of FFr 48.

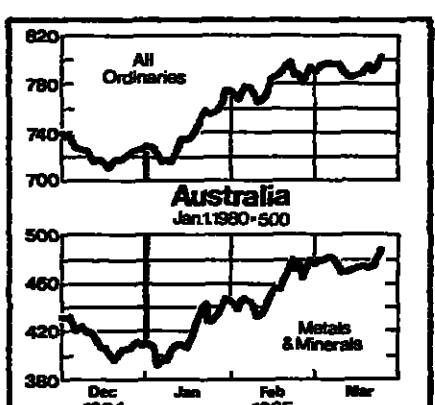
Milan rebounded from the widespread profit-taking of the previous day, with La Centrale firming L150 to L374.2 and Generali L1,800 stronger at L42,180. Fixed income bonds were steady while convertibles tended easier.

Brussels found strength from a parliamentary endorsement of government policy on cruise missiles. Groupe Bruxelles Lambert firmed BFr 25 to BFr 211.0 ahead of higher 1984 profits.

Among recently active utilities, Electrolab gained BFr 80 to BFr 6,850, and Tractebel added BFr 100 to BFr 4,300.

Financials featured strongly in Zurich as industrialists were hit by profit-taking. Swiss Bank added SwFr 5 to SwFr 374 while Zurich Insurance firmed SwFr 100 to SwFr 20,850.

Madrid was quietly mixed while Stockholm proved indecisive, with SCA topping the most active list. The forestry group dropped SKr 1 to SKr 121.



AUSTRALIA

Firmer gold sparks rush to peaks

GOLD's biggest one-day rise for more than two years in the international market sparked off a buying spree in Sydney gold miners which saw the All-Ordinaries index hit a record high of 802.9, up 9.

Excitement soon spread to other mining stocks and finally touched oil and gas issues as well. Advances outnumbered declines by three to one.

Some profit-taking later in the session took shares off their best levels of the day. Profits were also reined in as gold prices eased in Hong Kong.

News that Ok Tedi, the gold mine in Papua and New Guinea, would reopen yesterday contributed to a rise for BHP which has an interest in the venture. The diversified resource stock put on 10 cents to A\$5.80.

In golds, Bougainville Copper, Australia's largest listed gold producer, was 15 cents ahead at A\$2, and heavy trading in Kidston Gold Mines, the subsidiary of Canada's Placer Development, took it 32 cents higher to A\$3.40.

SOUTH AFRICA

A RAPID retreat in the bullion price sent investors scampering for profits in Johannesburg. Although the trend was generally firmer, gold shares ended below their early highs.

Buffels was 75 cents ahead at R74.75, and Gold Fields added 20 cents to R30. Anglo American dropped R1 to R169.

CANADA

LOWER prices in Toronto put an end to Tuesday's spectacular rally. Gold stocks gave up most of the previous session's advances, and Campbell Red Lake dropped C\$1 1/2 to C\$27 1/2 and Dome Mines C\$5 to C\$12.

Vancouver was mostly mixed on heavy turnover.

TOKYO

Record high fuelled by yen rally

SUPPORTED by the yen's rally and the sharp rise on Wall Street overnight, buying interest centred on large-capital issues, and asset-heavy stocks drove share prices substantially higher in Tokyo yesterday, with the Nikkei-Dow market average hitting a new high, writes Shigeo Nishiwaki of Jiji Press.

Some non-ferrous metals and oil issues were also bought actively, prompted by the escalation of the Iran-Iraq war and rising gold prices.

The Nikkei-Dow gained 63.38 to 12,541.37, eclipsing the previous peak of 12,509.01 recorded on March 4. Volume swelled from Tuesday's 322.33m shares to 428.31m. Advances led declines 407 to 387, with 134 issues unchanged.

Non-ferrous metals in the spotlight included Sumitomo Metal Mining, which topped the active list with 17.53m shares traded and leaped Y60 to Y1,880. Mitsui Mining and Smelting, the second busiest stock with 17.34m shares traded, added Y34 to Y537 and Mitsubishi Metal Y11 to Y871.

The yen's sharp rally prompted investors to place massive buy orders for steel. Nippon Steel, the third most active stock with 17.02m shares changing hands, rose Y3 to Y155. Kobe Steel advanced Y5 to Y162 and Kawasaki Steel Y4 to Y150. Early foreign buying through Yamaichi Securities gave momentum to the rush on steel.

Electric power companies gained on expectations that the yen's rise could cut fuel import costs. Tokyo Electric Power jumped Y110 to Y1,880, Kansai Electric Y60 to Y1,410 and Chubu Electric Y40 to Y1,310. Tokyo Gas also went up by Y10 to Y171.

Asset-heavy stocks, which had been out of favour, attracted buying interest. Mitsubishi Estate, the fifth most active stock with 9.28m shares, gained Y22 to Y810, Mitsui Real Estate Y16 to Y875, Nippon Express Y4 to Y360 and Heiwa Real Estate Y35 to Y865.

Conversely, major brokerage houses declined under profit-taking pressure. Nomura shed Y20 to Y1,250, Yamaichi Y11 to Y805, Daiwa Y15 to Y900 and Nikko Y10 to Y800. Yasuda Fire and Marine lost Y12 to Y488 and Sumitomo Marine and Fire Y22 to Y662.

Bond prices firmed, with the yield on the benchmark 7.3 per cent government bonds maturing in

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Continued on Page 41

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MARKET

Price changes

FT-

24 17 1948 1949 1952

**EQUITY GR
& SUB-SEC**

Kelly J		157	1	78	1	+
Kelly S	A	61	35	33 $\frac{1}{2}$	33 $\frac{1}{2}$	-
Kemp		72	50 $\frac{1}{2}$	50 $\frac{1}{2}$	50 $\frac{1}{2}$	

DATE	DESCRIPTION	AMOUNT	BALANCE
1970-01-01	OPENING BALANCE		100.00
1970-01-15	PAYROLL	10.00	90.00
1970-01-30	RENT	20.00	70.00
1970-02-15	UTILITIES	5.00	65.00
1970-02-28	SALES	30.00	95.00
1970-03-15	PAYROLL	10.00	85.00
1970-03-30	RENT	20.00	65.00
1970-04-15	UTILITIES	5.00	60.00
1970-04-30	SALES	35.00	95.00
1970-05-15	PAYROLL	10.00	85.00
1970-05-30	RENT	20.00	65.00
1970-06-15	UTILITIES	5.00	60.00
1970-06-30	SALES	30.00	90.00
1970-07-15	PAYROLL	10.00	80.00
1970-07-30	RENT	20.00	60.00
1970-08-15	UTILITIES	5.00	55.00
1970-08-30	SALES	35.00	90.00
1970-09-15	PAYROLL	10.00	80.00
1970-09-30	RENT	20.00	60.00
1970-10-15	UTILITIES	5.00	55.00
1970-10-30	SALES	30.00	85.00
1970-11-15	PAYROLL	10.00	75.00
1970-11-30	RENT	20.00	55.00
1970-12-15	UTILITIES	5.00	50.00
1970-12-31	CLOSING BALANCE		50.00

45

STOCKS										PROPERTY-Continued										INVESTMENT TRUSTS-Cont.										OIL AND GAS										MINES-Continued																			
High	Low	Stock	Price	Chg	Div	Yield	PE	1984-85	1984-85	High	Low	Stock	Price	Chg	Div	Yield	PE	1984-85	1984-85	High	Low	Stock	Price	Chg	Div	Yield	PE	1984-85	1984-85	High	Low	Stock	Price	Chg	Div	Yield	PE	1984-85	1984-85	High	Low	Stock	Price	Chg	Div	Yield	PE	1984-85	1984-85										
100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	100	98	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	101	99	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	102	100	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	103	101	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	104	102	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	105	103	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
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108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	108	106	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	109	107	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	110	108	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	111	109	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	112	110	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	113	111	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	114	112	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	115	113	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	116	114	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	117	115	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	118	116	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	119	117	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
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121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20	121	119	Marathon Oil	24	+1	0.75	2.8	12.5	20	20
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Financial Times Thursday March 21 1985

INSURANCE, OVERSEAS & MONEY FUNDS

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ACI Investments (A&M) Ltd.
16 St George's Place, London W1M
DAL £100 20.3 20.3
DAL £50 10.1 10.1
DAL £25 5.0 5.0
DAL £12.5 2.5 2.5
DAL £6.25 1.25 1.25
DAL £3.125 0.625 0.625
DAL £1.5625 0.3125 0.3125
DAL £0.78125 0.15625 0.15625
DAL £0.390625 0.078125 0.078125
DAL £0.1953125 0.0390625 0.0390625
DAL £0.09765625 0.01953125 0.01953125
DAL £0.048828125 0.009765625 0.009765625
DAL £0.0244140625 0.0048828125 0.0048828125
DAL £0.01220703125 0.00244140625 0.00244140625
DAL £0.006103515625 0.001220703125 0.001220703125
DAL £0.0030517578125 0.0006103515625 0.0006103515625
DAL £0.00152587890625 0.00030517578125 0.00030517578125
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DAL £0.00000000000008881784196997032878

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OFFSHORE AND OVERSEAS

[illegible]

Money Market Trust Funds

Norm		CAR		Int Cr Mouce	
The Money Market Trust					
63 Qn Victoria St, EC4N 4ST				01-236 0952	
Call Fax	138.66	15.33	b-month	7-day	
7-dm Fnd	14.28	14.93	b-month	7-day	
Oppenheimer Money Management Ltd					
60 Cannon St, EC4N 6AE				01-236 1425	
Call Fax	044.9	15.71	b-month	7-day	
7-dm Fnd	14.13	14.25	b-month	7-day	
Debt	17.86	7.53	b-month	7-day	
Money Mgmt Acct	14.90	14.79	3-month		

Money Market Bank Accounts

	Num	CAR	Ins	Gr	Notice
Athena Wynn					
30 City Road, EC1Y 2AV.					01-626 60770
Treasury Act		14 48	Qul	Can	
Attn: Fin. Ctr.		14 37	Mon	Can	
Bank of Scotland					
38 Threadneedle St, EC2P 2EH.					01-626 80600
Chieve Act		13 35	Mon	Can	
Barclays Prime Account					
PG Box 125, Northampton					0604 252891
High Inst. Charge		14 19	Qul	Can	

NOTES

Prices are in pence unless otherwise indicated and post where designated is 50 pence in U.S. dollars. 1-845 is 100 pence at last column unless for all items specified.

Offered prices include all expenses. * Today's prices:

- † Yield based on offer price, a. Estimated a. Today's opening price, b. Distribution fee of U.K. taxes
- † Premium premium investor plan, a. Single premium insurance, b. Offered price includes all expenses except commission, c. Offered price includes all expenses if bought through manager, d. Premiums daily's price
- † Guaranteed price, a. Estimated, b. Yield before charge, c. 1-845, d. Estimated, e. Offer available to charitable investors, f. Yield column shows annualized rates of NAV increase.

COMMODITIES AND AGRICULTURE

Futures traders welcome tax treatment change

BY JOHN EDWARDS, COMMODITIES EDITOR

LONDON traders yesterday gave a warm welcome to the Chancellor's decision to change the tax treatment on profits made from futures dealings. Long used as being ignored by the Government and the Inland Revenue, there was jubilation that Mr Lawson had agreed that futures dealings would from April 6 be subject to capital gains tax instead of being treated as income and taxed under Schedule D, Case VI.

The change means that futures trading will now be treated for taxation purposes on a par with dealings in the stock markets. Until now they have suffered a disadvantage with futures profits being liable for the highest rate of income tax (60 per cent) and losses could not be offset against general income.

Mr Roger Butler, director of taxes for accountants Arthur

Young, and chairman of the British Federation of Commodity Association's tax committee, said the change to a capital gains tax treatment was part one of a two-stage strategy. The next step, linked with plans to improve investor protection, would be to allow the establishment of authorised onshore futures funds.

Meanwhile, Mr Butler said the Budget change should provide a "substantial boost" for the UK futures markets. "Now it is up to the marketing boys," he added.

Mr Fox-Andrews, managing director of Drexel Burnham Lambert, London, described the change as "a tonic for the troops." He said it demonstrated that what could be achieved by a united front and hoped it would encourage the London exchanges to be more open and aggressive. He thought the retail com-

mission houses would benefit most from the change since they would now be able to compete on equal terms with other forms of investments.

Mr Christopher Sharples of GNI Intercommodities agreed that private investors were likely to benefit most since they had suffered most from the punitive tax treatment.

The main beneficiaries, however, could well be investors in UK based futures managed accounts or syndicates. Mr Peter Swete of Sabre Management said the change in taxation "opened the doors" for them to seek extra business. There was considerable pent-up interest from institutions in investing client funds in futures managed accounts that had been waiting for some kind of tax change to make dealings more profitable.

World wheat crop estimate raised

By Our Commodities Staff

THE INTERNATIONAL WHEAT Council has raised its estimate of the 1984-85 world wheat crop to a record 530m tonnes from the 517m forecast a month ago and the 486m in 1983-84.

In its market report published yesterday, it said the higher figure reflected the improved outlook for the Chinese crop, which it now puts at 88m tonnes.

The council also raised its estimate of 1984-85 world coarse grain production by 1m tonnes to 790m tonnes against 692m in 1983-84.

Another large world wheat crop is in prospect assuming the winter remains favourable, the report added.

U.S. CRUDE oil stocks rose last week for the fifth consecutive week to reach 532.3m barrels, almost 7m barrels ahead of this time last year, according to the American Petroleum Institute, writes Nancy Dunne in Washington.

Distillate fuel oil stocks plunged by almost 6m barrels to 112.2m barrels, well behind the 120m barrels on hand at the same time last year.

Residual fuel oil stocks stood at 47.3m barrels, down 1.2m barrels from the previous week and 1.8m below the previous year.

Crude imports, at 2.5m barrels, continued to fall behind last year as they have every week since early January. The CHICAGO Mercantile Exchange (CME) launched options on three-month euro-dollar futures yesterday, the fifth in a series of financial options to open trading recently.

Wheat futures, one of the exchange's fastest growing contracts, achieved a volume of more than 700,000 trades in February, a 468 per cent increase over February 1984.

Although the grain futures market has been quiet since the new option trading began, it could presage a fundamental change in the world cocoa market.

The present ICCA—the third of its kind, negotiated in 1980, has never succeeded in bolstering prices to within the required target range of 106 to 146 cents a pound. And since the buffer stock, set up under the agreement to support prices by buying cocoa, ran out of money nearly three years ago after spending more than \$25m (£19m), prices have been left to the mercy of market forces.

Although prices are relatively buoyant at present, they are likely to come under increasing downward pressure in the next few years as surplus supplies build up.

The key player is the Ivory Coast, the world's largest cocoa producer which until recently had taken the hardest line on prices.

Abidjan's refusal to join the existing ICCA on the grounds that its price support range was too low was one reason for its failure.

Mr Denis Bra Kanon, the Ivorian Agriculture Minister, signalled what appeared to be a significant change of heart when he reappeared at the cocoa conference last Thursday.

Officially the producers are calling for prices to be supported at between 105 and 135 cents a pound, while the consumers—led by the European Community, as the U.S., the world's biggest consumer, has refused to join—have tabled what they describe as a "final" offer based on prices between 90 and 120 cents.

Although nothing has been set down on paper and consumers remain sceptical, there are suggestions that the Ivory Coast may be prepared to consider a reference price of 108 cents or less, very close to the EEC's proposal of 105 cents.

That does not mean that such a plan is about to be tabled by the producers, some of whom, notably Brazil, have taken almost as hard a line on price as the Ivory Coast.

Mr Bra Kanon's suggestions came too late to save the Geneva conference. But they may prove a useful starting point for consultations leading to another set of formal talks towards the end of this year or early next, allowing time for the final ratification by the final deadline for a new agreement of September 1986. Although it runs out this September the current pact can be extended for another year.

Politically, Mr Bra Kanon knows that without the Ivory Coast there can be no new International Cocoa Agreement. The other West African producers, Ghana and Nigeria, are of carrying the ICCA without the help of the largest exporter, have told Abidjan that they will not join if it does not.

To consumers, the need for a new agreement is much less. The U.S., which consumes about a quarter of the world's cocoa, has made it clear that it thinks the ICCA is a waste of time.

Hardly surprising the EEC too, notably the UK and West Germany, would not shed many tears if there were no deal.

"Many consumers are saying now that they're not prepared to have an agreement for the EEC," said one experienced cocoa trader. "It has to be a

Ivory Coast lightens cocoa pact gloom

BY ANDREW GOWERS

THE CLOUD which hung over the latest inconclusive round of cocoa talks in Geneva appears to be revealing something of a silver lining.

When they fizzled out in the early hours of Saturday morning, the talks had already been disrupted by some leading participants on the consumer side as another dismal failure, the third unsuccessful bid to negotiate a successor to the International Cocoa Agreement, which is due to expire in September.

"The real problem is that producers and consumers have a completely different perception of what we're trying to achieve," said one delegate from a key European country this week.

In effect, this means that third world producing countries are calling for some form of price support under the agreement, while developed consuming countries—in line with the general hardening of Western attitudes to commodity agreements in recent years—are insisting that it should merely stabilise prices within a framework corresponding to market realities.

Although the grain futures market has been quiet since the new option trading began, it could presage a fundamental change in the world cocoa market.

The present ICCA—the third of its kind, negotiated in 1980, has never succeeded in bolstering prices to within the required target range of 106 to 146 cents a pound. And since the buffer stock, set up under the agreement to support prices by buying cocoa, ran out of money nearly three years ago after spending more than \$25m (£19m), prices have been left to the mercy of market forces.

Although prices are relatively buoyant at present, they are likely to come under increasing downward pressure in the next few years as surplus supplies build up.

The key player is the Ivory Coast, the world's largest cocoa producer which until recently had taken the hardest line on prices.

Abidjan's refusal to join the existing ICCA on the grounds that its price support range was too low was one reason for its failure.

Mr Denis Bra Kanon, the Ivorian Agriculture Minister, signalled what appeared to be a significant change of heart when he reappeared at the cocoa conference last Thursday.

Officially the producers are calling for prices to be supported at between 105 and 135 cents a pound, while the consumers—led by the European Community, as the U.S., the world's biggest consumer, has refused to join—have tabled what they describe as a "final" offer based on prices between 90 and 120 cents.

Although nothing has been set down on paper and consumers remain sceptical, there are suggestions that the Ivory Coast may be prepared to consider a reference price of 108 cents or less, very close to the EEC's proposal of 105 cents.

That does not mean that such a plan is about to be tabled by the producers, some of whom, notably Brazil, have taken almost as hard a line on price as the Ivory Coast.

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